

020188

JPRS-UWE-86-012

5 NOVEMBER 1986

USSR Report

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 8, AUGUST 1986

DISTRIBUTION STATEMENT A

Approved for Public Release
Distribution Unlimited

19991028 132

DTIC QUALITY INSPECTED 3

DTIC QUALITY INSPECTED 3

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL
INFORMATION SERVICE
SPRINGFIELD, VA. 22161

4
82
A-5

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

5 NOVEMBER 1986

USSR REPORT

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 8, August 1986

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language monthly journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA published in Moscow by the Institute of World Economy and International Relations, USSR Academy of Sciences.

CONTENTS

English Summary of Major Articles (pp 158-159).....	1
Frolov Writes on 'New Thinking,' Global Problems (pp 3-7) (I. Frolov).....	4
Nonaligned Movement's Struggle for Progress (pp 8-19) (Yu. Alimov) (not translated)	
Recent Changes in U.S.-Japanese Relationship Viewed (pp 20-29) (Yu. Melnikov).....	10
Long-Term Trends of a Change in the Profit Norm (pp 30-44) (A. Poletayev) (not translated)	
Trade Monopolies in the Structure of Finance Capital (pp 45-58) (S. Komlev) (not translated)	
Conservative Clericalism in U.S. Foreign Policy (pp 59-67) (N. Kovalskiy).....	22
The EEC in the Developing World (pp 68-80) (Yu. Levin) (not translated)	
IN THE IMEMO ACADEMIC COUNCIL	
Discussion of Role of Human Factor in Capitalist Economics (pp 81-100) (not translated)	

PLATFORM OF THE ECONOMIST AND INTERNATIONAL AFFAIRS EXPERT

Prospects for Accelerated S&T Progress in West Seen (pp 101-110) (S. Nikitin).....	33
---	----

OUR COMMENTARY

FRG Role in SDI Discussed (pp 111-114) (S. Sokolskiy).....	41
---	----

Africa and Socioeconomic Problems (pp 114-117) (I. Yermachenkov) (not translated)	
--	--

Consequences of U.S. Role in Fall of Marcos Viewed (pp 118-120) (E. Grebenshchikov).....	47
---	----

SOCIOLOGIST'S OPINION

Developments in Latin American Social Thought Viewed (pp 121-130) (A. Shestopal).....	53
--	----

SURVEYS, INFORMATION

Reagan Economic Policies Seen Harming West Europe (pp 131-136) (I. Ponomareva, N. Smirnova).....	69
---	----

BOOKS, AUTHORS

Book on EEC Political Integration Reviewed (pp 137-138) (M. Maksimova).....	79
--	----

V. Leybin Review of 'Ecocide in the Policy in American Imperialism' (pp 139-141) (not translated)	
--	--

G. Nikolayev Review of N.A. Gnevushev's 'The Arms Race and the Problem of Development of the Emergent Countries' (pp 141-142) (not translated)	
---	--

N. Kulagina Review of G.N. Naydenov's 'Reproduction of Fixed Capital and Cyclical Development of the U.S. Economy' (pp 143-144) (not translated)	
--	--

V. Usoskin Review of V.N. Shenayev's 'The International Loan Capital Market' (pp 144-145) (not translated)	
---	--

Yu. Oleshchuk Review of F.P. Mintz's 'The Liberty Lobby and the American Right. Race, Conspiracy and Culture' (pp 146-148) (not translated)	
--	--

'MEZHDUNARODNYYE OTNOSHENIYA' Publishers Book List for 1987 (p 148).....	82
--	----

STATISTICS

The Three Centers of Interimperialist Rivalry (pp 149-157) (not translated)	
---	--

PUBLICATION DATA

English title : WORLD ECONOMY AND INTERNATIONAL
RELATIONS No 8

Russian title : MIROVAYA EKONOMIKA I MEZHDUNARODNYYE
OTNOSHENIYA

Author (s) :

Editor (s) : Ya.S. Khavinson

Publishing House : Izdatelstvo TsK KPSS "Pravda"

Place of publication : Moscow

Date of publication : August 1986

Signed to press : 16 July 1986

Copies : 27,000

COPYRIGHT : Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya", 1986

ENGLISH SUMMARY OF MAJOR ARTICLES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8,
Aug 86 (signed to press 16 Jul 86) pp 158-159

[Text] The corresponding member of the USSR Academy of Sciences, I. Frolov, renders homage to the Russell-Einstein Manifesto in his article "Learn to Think and Act in a New Way". The author emphasizes that in the face of nuclear threat all the strata of mankind independently of their socioeconomic systems and ideologies, should learn to think in a new way in the interests of peaceful coexistence of countries with different social systems and international cooperation. The USSR put forward a program of complete liquidation of nuclear weapons by 2000, and peaceful strategy against global threat to the mankind. This could mean a new stage in the progress of the mankind. "Neo-globalist" concepts of the USA reflecting the philosophy of the world hegemonism are opposed by the concepts of a really human global thinking stemming from the recognition of independence for every country and people and, at the same time, from the unity of their interests in the face of nuclear threat and aggravation of global problems of the present and future.

The article "The Non-Alliance Movement in the Struggle for the Cause of Peace and Progress" by Yu. Alimov is devoted to the coming 27th Conference of the heads of states and governments of non-allied countries due to be held this August. The author gives a retrospective picture of the development of the non-alliance movement from the moment of its emergence in the postwar years and its formal organization in 1961 and analyzes its role within the system of international relations. He emphasizes that the coming conference would be one of the most important forums of the year and would significantly contribute to the common struggle for peace, disarmament, international security and multilateral cooperation in the interests of all the countries and peoples.

Yu. Melnikov in the article "The American-Japanese Relations at Present" traces the evolution of the partnership between the two countries since the postwar period up to now. The author shows that a "paternalistic" form of this partnership in the recent decades has given way to more complex relations, which include elements of a broad cooperation and sharp competition. This shift is a result of changes in the balance of power within the imperialist system and in particular between the two countries. Japan has managed to outdo its American patron in some things, and is now challenging the United States in such a traditional sphere of U.S. hegemony as that of the advanced technology.

The American attempts to stop the expansion of Japan by exerting pressure on Tokyo lead to constant frictions and tension in bilateral relations. The author stresses that contradictions between the two "centers of power" in the capitalist world should be neither underestimated nor overestimated. The ruling circles of both countries are interested in maintaining the partnership because of common class interests, interdependence of financial capital, mutual striving for the strengthening of their positions in Asia and the Pacific. The military cooperation between Washington and Tokyo, that is regarded as a threat by many other countries, is an important element of this partnership.

In the late 1970's and early 1980's there was an obvious deterioration of the capitalist reproduction conditions in almost all capitalist countries. The contemporary development of capitalism is plagued by immanent instability, slackening in the pace of the economic growth intertwined with cyclical and structural crises. A Poletaev in the article "Long-term Trends in the Rate of Return Dynamics" investigates the dynamics of the rate of return as an aggregate indicator of these negative tendencies. This is a theoretical study of the tendential law of diminishing rate of return according to Marxist principal postulates and schemes, accounting for the modern patterns of capitalist reproduction. The author examines the existing methodological techniques to tackle this tricky problem of rate of return in the long run, showing the unavoidable difficulties and suggesting the efficient solutions. On the ground of Marx's theory the author outlines a close connection between the long-term rate of return dynamics and the cyclical upswings and downward trends. The theoretical study is backed by considerable calculation effort presented in numerous tables. Special attention is paid to the postwar trends concerning the indices of capitalist rentability. The data presented in tables and graphs gives evidence of the fact that the latest decade is marked by an accelerated downfall of the rate of return in comparison with the first postwar decades. The postwar history of capitalist reproduction testifies convincingly to the rightness of Marx's conclusion that the very capitalist development bears in itself the limits to its progressive advance.

The evolution of the role of contemporary trade monopolies is discussed in S. Komlev's article "Trade Monopolies within the Structure of Financial Capital". The author considers the problem of realization and trade capital, the place of industrial capital in trade, the functions of trade capital in the contemporary economy in the light of changes of functions of different groups of monopolistic capital in the process of reproduction. On the basis of large statistical data, the author shows that the expansion of economic functions of trade capital, the growth of concentration and consolidation of economic power, the profound proliferation into other spheres of national economies, various interactions with industry and financial sphere allow to regard contemporary trade monopolies as an independent part of the financial capital.

Facing the process of swift changes in the modern world unfavorable for imperialism its most reactionary forces are putting up a stiff resistance to social progress, trying to regain lost positions in the world, N Kovalsky in the article "Conservative Clericalism in the U.S. Foreign Policy" focuses on the activities of the American clerical reaction--the so-called religious rightists. The author shows that late 1970's--and early 1980's are marked with

a sharp rise in their activities and role in the political scene, and now the religious rightists are an integral part of the Establishment. When considering their ideology the author notes that it combines the apologetics of the American "traditional values" and style of life with the intolerance to everything that differs from them. This is based on the thesis of the "exclusiveness" of the American nation. The clerical reaction is speculating on this thesis to justify America's claims to world domination, imposition of her will on other nations, interference into their internal matters. Thus the ideology of the religious rightists has much in common with what the U.S. Administration is practicing. That's why the activities of the reaction is facing the growing opposition of various strata of the American society, including a considerable part of religious community.

Yu. Levine, in his article "EEC and the Developing World", shows that in the 1970's and first half of the 1980's the relations between developed capitalist states and developing countries considerably changed reflecting a growing role of the latter in the world economy and politics. While the developing countries are striving to establish a new international economic order, the imperialist powers try to adapt the system of unequal exchange to the new situation. This resulted in emerging of a rather flexible mechanism of so-called collective neo-colonialism of West European powers toward the developing countries. By now it embraces a considerable part of the developing world. The author analyses different aspects of economic interdependence between the EEC and the developing world and shows its asymmetric neo-colonialist character, estimates the results of Lome conventions between the EC and 66 African, Caribbean and Pacific states, writes about the specific character of the EEC relations with Mediterranean and other non-ACP developing countries.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1986.

/9869

CSO: 1816/12

FROLOV WRITES ON 'NEW THINKING,' GLOBAL PROBLEMS

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 3-7

[Article by I. Frolov, corresponding member of the USSR Academy of Sciences: "To Learn To Think and Act in a New Way: Report at the Second All-Union Conference of Scientists on Problems of Peace and Prevention of Nuclear War Held in Moscow 27-29 May 1986"--passages between slantlines published in boldface]

[Text] Today many political figures of the world, journalists writing on international affairs, writers, and representatives of various cultural spheres talk about the need for new thinking in the nuclear age. But in this connection they rarely mention the fact that scientists, including Marxists and Communists among them, were the first to call attention to this problem.

On 31 January 1955 Communist Frederic Joliot-Curie, a great physicist of the contemporary period and president of the World Federation of Scientific Workers at the time, sent a letter to the well-known bourgeois philosopher and progressive public figure, Bertrand Russell, calling attention to the danger of nuclear war threatening mankind and to the pressing need for scientists to unite to prepare a joint declaration on this topic. In the opinion of F. Joliot-Curie, a "substantiated solemn declaration" should be formulated and signed by persons who enjoy undisputed prestige as scientists even though they may follow different philosophical convictions. B. Russell supported the proposal of F. Joliot-Curie and noted that the persons who signed the declaration should not belong to any one single political orientation but, on the contrary, should represent the views of "all circles of society."

The manifesto proposed by B. Russell for signatures by prominent scientists both in the capitalist and the socialist countries was based on this approach. Albert Einstein was the first to sign the manifesto and he was followed by F. Joliot-Curie, M. Born, L. Pauling, and others.

At a press conference in London on 9 July 1955 B. Russell publicly announced the statement that subsequently became known as the Russell-Einstein Manifesto and represented the beginning of the now widely known Pugwash movement for peace and disarmament in which scientists from the socialist countries are also active. The Manifesto underlined the tragic nature of the situation faced

by mankind as a result of the development of weapons of mass destruction. It stated: "We must learn to think in a new way. We must learn to ask ourselves not what steps can be taken to ensure the military victory of one group or another which we may favor, because no such steps are available any longer; we must ask ourselves the following question: What steps can be taken to prevent an armed conflict the outcome of which is bound to be catastrophic for all sides." And it says further: "The broad public and even many statesmen still do not grasp how a war will end if nuclear bombs are used.... People can hardly imagine that not only a vaguely perceived mankind but they themselves and their children and grandchildren are exposed to the danger. They find it difficult to force themselves to realize that the threat of perishing with an agonizing death hangs over every one of them and their dear ones."

More than 30 years have passed since the publication of the Russell-Einstein Manifesto, whose title should for the sake of greater correctness be supplemented with the name of Joliot-Curie. In August it will be 40 years since the barbaric bombing of Hiroshima and Nagasaki. The Western powers continue to carry out nuclear tests. The most complex systems of various ranges have been developed which can deliver the lethal load to any part of our planet. The stockpiles of nuclear capabilities are enormous.

However, nuclear weapons have not been used in any military conflicts; and there have been quite a few such conflicts in recent years. The world also realizes that even a one-time use of nuclear weapons would signify a world thermonuclear war that under contemporary conditions would lead to a catastrophe for all mankind. As the investigations by Soviet and American scientists--conducted independently from each other but amazingly coincident in their results--have shown, even a small number of nuclear explosions would be enough to destroy all life on earth not only as a result of direct hits but also as a result of the rise of the so-called "nuclear winter," the effects of radioactivity, and so forth.

However, have we learned to think in a new way in the nuclear age as called for by the Russell-Einstein-Joliot-Curie Manifesto? Unfortunately it is impossible to give an unambiguous answer to this question. In the more than 30 years that have passed numerous antiwar and antinuclear movements have come into being and have spread, including not only the Pugwash movement that mainly unites prominent scientists-physicists but also the movements of physicians, ecologists, and--most important--of the broad popular masses throughout the planet.

The Soviet Union and other socialist countries, opposing the forces of war and all kinds of nuclear maniacs invested with power or amateur nuclear maniacs, represent a reliable fulcrum of the struggle for peace and disarmament. All progressive people on earth know and value this and they look to the future with hope, convinced that precisely the world of socialism sincerely and honestly follows the fundamental principle of its foreign policy, the principle of peaceful coexistence between countries with different systems and of international cooperation in the name of peace and progress for all mankind. And this is the basic and main conclusion incorporated in the famous appeal of the manifesto: to think in a new way in the nuclear age. To think and to /act/--this is socialism's answer to the appeal.

Our country has put forward a program for completely eliminating nuclear weapons by the year 2000. This was done in the Statement of M.S. Gorbachev, general secretary of the CPSU Central Committee, on 15 January 1986. It was clearly and definitely formulated in the program documents of the 27th CPSU Congress.

The worldwide threat to mankind is countered by a worldwide peaceful strategy, and to implement this strategy it is necessary to obtain the participation of all peoples and states regardless of the parts of the world where they are situated and regardless of the socioeconomic systems to which they belong or the world outlook or philosophical ideas by which they are inspired.

This can signify the beginning of a new stage in mankind's development. What is involved now is no longer only the growth of its material and scientific-technological power but--and this is the /main thing/--its thinking and mentality and its value orientations and humanist aspirations. Why is this the "main thing?" Because now everything else already does more to repress than to liberate what is basic in man and mankind, their reason and humaneness and their elementary sense of preservation. It is necessary to remember the simple and eternal truths on which the life of the human race is based, the truths that are not measured in megatons of an evil and senseless destructive force but which alone can oppose such a force. This reason, /combined with humaneness,/ this reason of kindness that has been called /wisdom/ through all times, is so greatly needed by us today in the age of (dangerous and not always successful)taming of the terrible power of the atom.

Precisely this is perhaps the basic thing that is implied now when we speak about the need for new thinking and new political psychology. Nothing far-fetched! Everything else is only a /consequence/ of human reason turning toward itself.

What is this? Utopian dreams or an idealism with its faith in "world reason?" It probably would be so if all this were not backed by the concrete and scientifically substantiated analysis of the world situation and the constructive proposals that, in general and as a whole, make up the global peace strategy. First and foremost, this is the program of complete elimination of nuclear weapons by the year 2000, providing for solving the problem of nuclear disarmament /in stages/ and, consequently, calculated to promote the /evolution/ of our thinking and political dynamics, an adaptation that is connected, first and foremost, with the development of cooperation, the growth of international confidence, and our education in the spirit of peace. But this means that the program proposed by our country will itself cultivate the ground on which it grows. This is the /reasonable realism/ of the creative force that opposes the evil folly that is disastrous for mankind.

The Soviet leadership's new proposals in the sphere of disarmament are addressed to everyone. International cooperation is indispensable for preserving peace on earth. The program of complete elimination of nuclear weapons by the year 2000 is also the prerequisite for solving the increasingly

acute global problems, including ecological problems. It is only in the general context of these problems and the immediate and future concerns of mankind to ensure peaceful development, overcome backwardness, hunger, and poverty, preserve nature, and the like, that the ideas are crystallized which make up the global peace strategy, the new thinking and political psychology, and the orientation toward cooperation, honest and concerned dialogue, and joint actions.

Essentially this also applies to what is called ecological thinking which represents the necessary element and determining basis for human activities in the environment of nature, including both the positive and negative technological effects on nature. According to the estimates of economists, in the last decades of the 20th century the states of the planet will allot an average of 3 to 5 percent of their gross national products, that is, an annual total of no less than \$150 billion, for measures to protect nature.

Many steps are now being taken for a scientific-technological and practical solution of the ecological problem but all efforts in this sphere may come to naught as a result of the threat of a thermonuclear catastrophe that would bring death not only to mankind but also to all other life on earth. For this reason the interconnection between ecology and politics, both on a national and a global scale, and the social meaning and significance of the struggle for a clear biosphere on earth are becoming increasingly obvious today. The signing in Geneva by representatives of 33 countries, including the USSR and the United States, of the Convention on the Prohibition of Military or Any Other Hostile Use of Environmental Modification Techniques, is of major importance. The influence of various social ecological movements on world politics is becoming more tangible. Among them, the new movement of ecologists for peace is becoming increasingly important; the scientists and public workers of many countries participating in this movement offer theoretical-methodological, social-organizational, and cultural-educational studies as well as practical ideas concerning the problems of protection of nature and rational utilization of nature in the broad sense of the word.

This movement was formed on the basis of the Permanent International Conference (Ekoforum) organized by the journal OKHRANA PRIRODY ((name of journal as transliterated from Russian)) (Sofia, the People's Republic of Bulgaria). In 1984 the Ekoforum's international and Bulgarian leaderships met in the city of Varna (the People's Republic of Bulgaria) to discuss the most topical questions of long-term social-ecological research, such as economics and ecology, science, education and ecology, environmental protection and politics, environmental protection and preservation of peace throughout the world, and so forth. The participants in the meeting adopted the "Appeal to Ecologists of the World and All Active Figures in the Sphere of Protection of Nature" which has been published in many countries. The new "Protection of Environment and Defense of Peace" ecological movement will hold its international conference in the People's Republic of Bulgaria in August 1986 at which it will discuss the ecological imperatives of the world and the questions concerning the responsibility of scientists for the protection of nature and peace on earth. The ecological as well as other global problems and alternatives can be solved under conditions of international scientific-technological cooperation although at present the main efforts are still being made only at national or regional levels.

Already now the global problems essentially influence all aspects of mankind's life, its material sphere and culture, and its world outlook and morals. This influence will substantially increase in the future. The historical fate of all mankind depends on whether we will be able to find in the shortest possible time the ways and methods of at least partly resolving or simply mitigating these problems' threatening acuteness, if we cannot find the ways and methods of completely resolving it.

This also applies to scientific-technological progress itself, whose dual nature ((alternativnost)) confronts mankind with many very complicated problems. Today we are coming up against the problems and dilemmas of nuclear energy and we are learning to think and act in a new way. But ahead of us there are new and perhaps more complicated problems in dilemmas placed before mankind by "high" technology--microelectronics, computerized information processing, robot technology, and biotechnology--as well as by the new benefits and dangers inherent in the application of the achievements of genetic engineering to man. New technology demands a "high degree of contiguity" with man, society, and nature. New thinking is also necessary to take the interests of the individual and society and of the progress of cognition and the security of mankind into account. It is no accident that already now so much attention is devoted to what is called the /ethics of science/ and the social-ethical regulation of the cognition of life and man.

In his answer to a letter from Professor M. Marois, head of the International Institute of Life, M.S. Gorbachev emphasized: "The consequences of application of the latest technology for the life of people; food resources and diet; environment and the living world; ethics and biomedicine; science, education, television, and the future of mankind--these and other topics with which the Institute of Life concerns itself are raised by life itself and from year to year they become increasingly pressing and, at times, acute and vitally important. Perhaps we do not yet recognize all this today but all this will be felt and understood tomorrow, which is no further away than the threshold of the new millennium."

For its part the USSR is ready to consider the proposals included in the "Science in the Service of Life" program worked out by this Institute as well as other program proposals that the Institute will work out at the coming international conference, and, considering their nature, it is ready to apply them in the sphere of practical policy.

Readiness for the broadest cooperation and for unifying the efforts of states in utilizing the scientific-technological achievements for peace and mankind's progress is an inalienable feature of the USSR's foreign policy course.

"We favor," M.S. Gorbachev noted at his meeting with the delegation of the congress of the Nobel prize laureates in November 1985, "an essentially different path of accelerating the progress of science and technology, we favor technological competition and constructive cooperation under the condition of stable and just peace." This was also stated with all force and determination at the 27th CPSU Congress.

It is obvious that this approach gives a new content to the very concept of peaceful coexistence. The new edition of the CPSU Program defines peaceful coexistence "not simply as an absence of war" but as "the kind of international

order whereby not military force, but good-neighborliness and cooperation would predominate and whereby a broad exchange of the achievements of science and technology and of cultural values for the benefit of all peoples would take place."

Therefore a broad international cooperation of scientists represents an inseparable element of international life and today becomes an important social prerequisite for strengthening the tendency toward mankind's self-preservation. What is essentially involved in one of the main areas of formation of the social factor for resolving the global contradictions that now underlie many of the most pressing tasks of all mankind. And here it is necessary to stress the following: The achieved concrete results provide a reliable basis for strengthening the authority of antiwar movements and of the initiatives of scientists in nonsocialist countries. Furthermore--and this is perhaps the main thing--they make the material fiber of the policy of peaceful coexistence increasingly firm.

The internationalization of mankind's life is further intensified under the impace of the need for cooperation for solving the global problems and this internationalization takes place hand in hand with the progress of internationalization of mankind's economic and cultural development and so forth. In the long term it will become the basis of the further development of human civilization.

This is how the favorable opportunities opening up before mankind in the light of the new Soviet initiatives are seen, and the significance of these initiatives has a profound political and philosophical meaning. We oppose the "neoglobalist" concepts, now spreading in the United States and essentially representing a philosophy of world hegemonism, with the concept of a general human and global thinking that proceeds from a recognition of the autonomy and independence of every country and people and, at the same time, of the community of their interests and of the unity of the human race in the face of a general thermonuclear threat and exacerbation of the present and future global problems.

This philosophy and this thinking, determining the new ethos of science, help find new forms of practical political action to strengthen the global potential of the forces of peace.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya". 1986.

CSO: 1816/12

RECENT CHANGES IN U.S.-JAPANESE RELATIONSHIP VIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 20-29

[Article by Yu. Melnikov: "American-Japanese Relations at the Current Stage"]

[Text] The evolution in American-Japanese relations, to which the conclusion contained in the CPSU Central Committee Political Report to the 17th party congress: "The last decades of the century have been marked by new outbursts of interimperialist contradictions and a manifestation of new forms and directions thereof" applies in full, has been calling attention to itself increasingly recently.

A multitude of assurances is being heard from the ruling circles of the United States and Japan of the "strength of the friendship" of the two countries and readiness to overcome the disagreements between them. However, the latter are continuing and multiplying and intensifying, what is more. The policy of the Reagan and Nakasone governments geared to the development of military-political cooperation between the United States and Japan is increasingly coming up against their acute economic-technological rivalry. The growth of Japan's economic power is a most important cause of the strain in bilateral relations.

Great significance is attached also to the fact that the American and Japanese "power centers," as distinct from the West European center, represent nationally isolated groupings of finance capital with their inherent ideology of "exclusiveness," which imparts particular purposefulness to their "nationalist" actions within the framework of the global strategy of present-day imperialism. In the United States this is expressed in the ruling circles' long-standing claims to world domination, and in the Land of the Rising Sun, to a return to the assertions concerning the superiority of the "samurai spirit" and advancement of a new proposition: concerning the predominance of the managerial, S&T "genius" of the Japanese over the "values" of Western, including American, civilization.

Finally, national, cultural and historical differences and remembrance of the repeated acute clashes for domination in the Pacific lend a special coloration to American-Japanese relations. Suspicion and hostile sentiments in respect

of "Asians" stirred by both recollections of the "humiliation of Pearl Harbor" and the present-day defeats of the automotive, electronics and other sectors of industry in battles with Japanese monopolies, on the American market itself included, have not only been preserved in the United States but also resuscitated. "Anti-Japanese rhetoric," NEWSWEEK acknowledges, "is not, of course, anything new for American... reality. Sometimes from their own beliefs, sometimes from mercenary interests, a variety of demagogues has long expatiated on the duplicity of the Japanese. What is new and disturbing is the fact that today respectable opinion-makers also are adding their voices to the anti-Japanese chorus."* It is significant that these voices belong to representatives of the entire political spectrum--from the liberals through the conservatives. Thus the well-known historian T. White, who has written more than one book on the "making of presidents" in the United States, intimidates his readers with the danger of the "dismantling of the American economy" by the Japanese. And the reactionary current affairs writer K. Phillips claims that Japan sees trade "as a continuation of war by other means" and he resorts to the horrifying, from his viewpoint, comparison--that of the growing "Japanese threat" and the "Soviet threat"!

In Japan also there is a quite extensive range of open or concealed anti-American sentiment--from chauvinist-revanchist through antinuclear, antiwar. The latter harbors a memory of the atomic bombing of Hiroshima and Nagasaki, the present militarist policy of U.S. ruling circles and their attempts at open diktat and interference in Japan's internal affairs.

The increased discord between the two countries is causing great concern in Washington. We are experiencing "a most serious and difficult period in our mutual relations," M. Mansfield, American ambassador in Tokyo, declared in May 1985.** A most important foreign policy question of the coming decade for the United States is "will Japan be partner No. 1 or rival No. 1," L. Eagleburger, former undersecretary of state, observed.***

I

Ruling circles of the Land of the Rising Sun made active use of the rapid predominance in postwar American policy of the aggressive anti-Soviet trend. Yoshida, one of the first prime ministers of defeated Japan, candidly said back in 1946 to members of his cabinet that "history has examples of victories won with the aid of diplomacy following defeats in war."**** The relatively guileless tactics of outward submission to the American occupation authorities and cooperation with them and playing on their "weaknesses" in respect of the conquered, but class-related state-monopoly elite of Japan afforded the latter an opportunity to restore its positions comparatively quickly.

Betraying the ideals of the antifascist coalition and considering Hiroshima and Nagasaki "sufficient retribution" for Pearl Harbor, in the face of the

* NEWSWEEK, 28 October 1985, p 4.

** INTERNATIONAL HERALD TRIBUNE, 28 June 1985.

*** U.S. NEWS AND WORLD REPORT, 22 October 1984, p 38.

**** R. Barnett. "The Alliance: America, Europe, Japan. Makers of the Postwar World," New York, 1983, p 79.

consolidation of the world positions of socialism the United States abruptly "about-faced" in the Asia-Pacific region (as in the rest of the world also), openly adopted a policy of turning its former mortal foe into an ally. It was this turnabout which essentially put an end to the policy of Japan's demilitarization, democratization and decartelization. "American policy-makers," scholars of the Brookings Institution observed, "were of the opinion that the struggle between the USSR and the United States had lessened the significance of the efforts to change Japanese society (!-Yu.M) and that in the process of Japan's restoration it was far more important to convert it into a strong point of American power.... A tendency to regard the Japan issue solely within a military-strategic framework arose.... The United States, consequently, encouraged the creation of a Japanese army--the National Police Reserve--trained and equipped by the U.S. Army, despite the antiwar provisions of the Japanese Constitution."*

On the eve and at the outset of the 1970's even a consequence of the rapid recovery of Japanese imperialism were the relatively serious disagreements between the United States and Japan on questions of the return of the island of Okinawa, recognition of the PRC, the state of the balance of trade between the two countries, the correlation of their currency exchange rates, the "liberalization" of Japanese policy in respect of foreign capital investment in the country and so forth. The compromise agreements reached in that period on the return of the Ryukyus, which incorporated Okinawa, to Japanese jurisdiction and Japan's actual support for the Nixon Doctrine, according to which it was called on to play a more active part as a conduit of American policy in the Asia-Pacific region, essentially meant the end of the postwar stage in the development of the two countries' relations. Japan had "ascended" to the level of "junior partner" of the United States.

The concessions made at that time by Tokyo in the trade-finance sphere--revaluation of the yen, consent to "liberalize" imports of American capital and certain commodities (from 1973 through 1984 the adoption of measures to "open up" the Japanese market was announced 44 times!) and limit exports of individual types of product to the American market and so forth--did not alter in the least the trend which had appeared as of the latter half of the 1960's toward a rapid change in the balance of trade between the two countries in favor of Japan. Despite the terrible noise kicked up in the United States and the threats of various countermeasures in connection with the excess of Japan's exports over its imports from the United States in 1970 of \$380 billion, right the following year this figure leaped to \$3.2 billion (and by 1985 it had grown compared with 1970 by a factor of 130).

A paradoxical situation was taking shape where Japan, which was dependent in the military-strategic, political, raw material, trade and technological respects (the United States accounted for approximately 30 percent of its exports, as, equally, for the bulk of the licenses and patents which it purchased), had begun to achieve increasingly significant and multilevel changes in the bilateral correlation of forces in its favor.

The 1974-1975 economic crisis and the abrupt rise in the oil price applied the brakes to Japan's economic development somewhat. However, in terms of rate of growth of industrial production and labor productivity it continued

* W. Reitzel, M. Kaplan, C. Coblenz, "United States Foreign Policy 1945-1955." Washington, 1956, pp 171-174.

to outpace the United States. The reorientation of the Japanese economy toward the manufacture of less energy- and material-consuming and more science-intensive products based on the use of the latest technology and management methods was accelerated.

Such factors as the burden on the United States of the huge expenditure on the arms race and global anticommunist policy, Washington's policy of the use of the capitalist world's "total power" to support this policy, the interweaving of the business relations, interests and capital of a number of the biggest American corporations, including military-industrial, with Japanese corporations and so forth also continued to operate in favor of Japan. The severe defeat of the United States in Vietnam and the general weakening of its positions in Asia in the mid-1970's increased even more in Washington's eyes the significance of Japan as the "defender" of imperialist interests in the Asia-Pacific region.

II

The relatively rapid economic development of a number of countries and territories of Asia and the Pacific, the growth of their intraregional ties and the creation of economic-political associations of the ASEAN type on the one hand and the growth of Japan's expansion and the revitalization, owing to a number of objective and subjective factors, of the Pacific direction in U.S. foreign policy, particularly under the Reagan "Californian" administration, on the other, stimulated the appearance in Tokyo and Washington of the idea of the Pacific as the future "world center". "...The future belongs," President R. Reagan declared during his visit to Japan in November 1983, "to the great Pacific basin... with its potential for growth and development."

In 1980 the United States' trade turnover with Pacific countries amounted to \$117.6 billion, exceeding for the first time American trade with West Europe (\$115.9 billion). In 1984 this gap had increased considerably--\$175 billion and \$131.6 billion respectively. "These statistics," Prof G. Perry of the Fletcher School of Law and Diplomacy, a "think tank" of conservatism in the United States, writes, "establish the greatest shift in the geographical distribution of industrial production in world history. But it merely hints, possibly, at the ultimate impact of growing trans-Pacific relations on the future of our planet...." In Perry's opinion, signs are being manifested of "the formation of an axis of power, learning, wealth and culture which will probably determine the course of world history.... Thanks to its wealth, power and purposefulness, the United States will be in a good position to direct the birth of the new community."*

A special commission for economic cooperation with countries of the Pacific, which was made up of representatives of the administration, Congress and business and scientific circles of the United States, was created in the fall of 1984. President Reagan himself received members of this commission in the White House and wished them success.

* FOREIGN POLICY, Summer 1985, pp 40-41, 52-54.

Special committees for contacts with countries of the Pacific to study the prospects and adopt practical measures pertaining to cooperation within the framework of this region were formed almost simultaneously in Tokyo under the auspices of the ministries of foreign affairs and international trade and industry.

American-Japanese intergovernmental consultations concerning plans for the creation of a so-called "Pacific Community" were held in November 1984 in Tokyo. Concerning the composition and nature of this "community," Prime Minister Y. Nakasone cited among its proposed participants Japan, the United States, Canada, Australia, New Zealand, the ASEAN countries, South Korea and also China. Nakasone was particularly insistent on advancing to the fore as a goal of the "community" the economic, S&T and cultural relations of its possible participants. This is explained both by the fact that Tokyo fears an unfavorable reaction of the public of Pacific countries to the attempts to enlist them in Washington's aggressive actions (in conjunction with recrudescing Japanese militarism, what is more) and recognition of the fact that emphasis of the military aspect of the "Pacific Community" would almost automatically mean the establishment therein of the complete domination of the United States. Washington, on the contrary, conceives of its organization along the lines of an eastern version of the "strong Atlantic alliance".

U.S. ruling circles are essentially aiming at converting this region into a sphere of the American monopolies' "free" exploitation and a new springboard of confrontation with the USSR and the forces of socialism and national liberation. Splendid speeches about the onset of the "Pacific era in man's history" and the "technological, communications, information" and other "rapprochement" of the countries located here serve merely as the ideological outer casing for the intention to turn the Pacific into an "American lake". As U.S. Defense Secretary C. Weinberger declared, the "For the Faith, Gold and Glory" call, which has distinguished conquistadors of all countries and eras, could serve as the motto of America's advance ever westward from its Californian shores.

As commander in chief of American armed forces in the Pacific, Adm W. Crowe, present chairman of the Chiefs of Staff Committee, put it more prosaically in October 1985: "The United States has unequivocally confirmed that it has a presence in Asia, that it plans remaining here and that its role will be quite substantial.... All progress (in the Asia-Pacific region--Yu.M.) is taking place under the protection of American power.... To the extent that our economic interests are pointed in this direction, our defense potential should ultimately keep in step with them."*

The elaboration of plans for the creation of a "Pacific Community" is as yet moving forward, however, very slowly and encountering serious difficulties. One group of obstacles is formed by the social and political heterogeneity, dissimilar economic development level and differences of national interests of the proposed members of the community. Another is connected with the entirely

* U.S. NEWS AND WORLD REPORT, 22 October 1984, p 37.

justified distrust in many Asian and Pacific countries of the expansionist and militarist designs of the ruling circles of the United States and Japan. A third consists of the cautious attitude toward the "Pacific Community" project on the part of other states of the capitalist world, primarily West Europe.

A big role in the pronounced gap between the idea of the "community" and its realization is being performed by the manifest disagreements between the ruling circles of the United States and Japan concerning its nature, composition, organization and aims. They essentially reflect the struggle of Washington and Tokyo for their own predominance in vast areas of Asia and the Pacific, which is closely interwoven with other elements of American-Japanese contradictions, primarily in the sphere of economics, particularly trade.

III

As American and Japanese figures acknowledge, the competitive struggle between the monopolies of the United States and Japan has currently reached a level where, according to K. Fukushima, manager of the Washington branch of the Nomura Research Institute, "it could jeopardize the most remarkable political achievement of the postwar era--American-Japanese partnership."*

Unwilling to reconcile itself to the weakening of the United States' positions, the American Government and Congress, on the one hand, are continuously expressing their indignation at Japan's "unfair trading competition" and demanding its "rectification". On the other, the Senate and the Pentagon declare virtually every year that Japan's military policy "does not correspond to the spirit of the times" and that the efforts in this sphere are, from their viewpoint, "extremely inadequate" and insist on increased spending on "self-defense," arms purchases in the United States and so forth.

Official Japanese representatives are very patient in taking many of the attacks and "reproaches" of the Americans, "tactfully" noting from time to time the "groundlessness and erroneousness" of certain charges. At the same time promises "to put right," that is, open up more widely their domestic market for American goods and capital, "self-limit" exports of certain types of their own products to the United States and so forth, are reiterated continuously.

Japanese who do not hold official positions are sometimes not so restrained, openly expressing their indignation at the "paternalism" on Washington's part, its continuous pressure on Japan and its attempts to dictate to it domestic and foreign economic, social and military policy.

The "concessions" which Tokyo government circles are making or promise to make to Washington are more than balanced by the purely nationalist-protectionist policy of the Japanese monopolies and bureaucracy. Besides the complex system of visible and "invisible" tariffs, quotas and various other restrictions on imports of foreign commodities and capital, there is a very effective

* FOREIGN POLICY, Summer 1985, p 22.

practice based on "customs" of preference of everything national to what is imported or introduced from outside. "For the greater part of the last two millennia," K. Fukushima attempts to explain this phenomenon, "Japan was predominantly isolated from the rest of the world, and the majority of its institutions is, consequently, based on the implicit assumption that few, if any, foreigners can penetrate the Japanese system.... In addition, Japan's economy, like its society as a whole, is often guided by unwritten rules and a mutual understanding which for foreigners, with their superficial knowledge of the Japanese language and culture, are difficult to grasp.... Although the Japanese market does not formally reject foreigners, these rules can nonetheless create difficulties for foreign firms."*

While at the official level Prime Minister Nakasone is adopting a special "action program" to equalize the trade imbalance between the United States and Japan and declaring a "purchase of foreign goods" month, day-to-day domestic trade is conducted under the conditions and with the advertising of the "ours rather than others" preference, and the majority of the country's population opts for the purchase (if such a choice exists) of items of Japanese and not foreign manufacture.

As a result of the effect of the sum total of factors favorable to Japan the surplus balance of its trade with the United States constituted in 1983-1985 roughly \$110-115 billion. Despite the recent rise in the yen's exchange rate in relation to the dollar and, correspondingly, in the prices of Japan's exported commodities and the ever more recent negotiations of representatives of the United States and Japan concerning measures to reduce the imbalance in bilateral trade, it continues to grow.

From broad-based imports of foreign, primarily American, technology Japan has switched, in the main, to a policy of the intensive development of its own research for the purpose of taking the lead in a number of the main, promising branches of science, engineering and technology. "For 20 years the world has observed with envy and admiration how wave after wave of new products from Japan--cameras, then automobiles, then television receivers and then computer components--captured customers' imagination," BUSINESS WEEK, the organ of U.S. business circles writes. "Today the West is threatened with inundation by a new wave carrying everything--from supercomputers to financial services, from laser components to fashionable clothing."**

IV

Turning to an analysis of the reasons for the successes of its competitor-partners, many American observers assign a leading place to the far lower level of Japan's military spending compared with the United States. In the opinion of L. Brown of Washington's Worldwatch Institute, all its other advantages--in the organization of industry and management, labor relations and the quality of general and vocational training--are multiplied many times over "by America's immersion in the creation of the military machine."

It is no accident that U.S. ruling circles are pushing Japan increasingly persistently toward an increase in its military spending and "strategic support,"

* FOREIGN POLICY, Summer 1985, pp 37-39.

** BUSINESS WEEK, 8 April 1985, p 35.

and not only for the Philippines, Thailand and Pakistan, for example, but also Egypt and certain Latin American countries. In addition, during his visit to Japan in February 1986 the well-known Pentagon "hawk" R. Perle called on it both to increase its contribution to the "defense of the Pacific" and associate itself with the SDI and render "the poorer NATO countries financial assistance."*

Of course, even at the present time the United States is far superior to Japan not only in a military respect but also in terms of general industrial and S&T potential. However, the Land of the Rising Sun is persistently and consistently reducing the "gap" or even surging ahead, sometimes in one, sometimes in another leading area of industrial production, S&T progress, trade and so forth.

All this leads to the conclusion that in the trade-economic, technological and other spheres Japan is pursuing a purposeful strategy of "nationally exclusive" imperialism. While actually spearheading their economic expansion against the main competitor--the United States--Japan's ruling circles are, as before, using to "pacify" Washington the bilateral military-political alliance. The support which Tokyo is rendering the militant anti-Soviet policy of the Reagan administration is prompting the latter to refrain from adopting any abrupt protectionist measures or sanctions against Japan's offensive against American positions on the broadest front, despite the increasingly persistent demands of U.S. business circles and congressmen for recourse to such sanctions.

Japan's growing military cooperation with the United States and the Nakasone government's demonstrative diplomatic support for the Reagan administration's military-political course on the one hand would appear to be a kind of "payment" by Tokyo for Washington's "patience" in respect of the systematic buildup of Japan's economic potential and foreign economic expansion. On the other, this "payment" is highly convenient for certain militarist and revanchist groupings in Japan. Whereas in the 1970's the increase in its military preparations here was justified by the need to "underpin" the United States' undermined positions in East Asia, recently Tokyo has been referring increasingly often to the mythical "Soviet threat".

Granted the manifest differences in the interests and goals of the United States and Japan, long-term particularly, a centripetal trend toward cooperation will, to judge by everything, predominate in the two countries' mutual relations in the next few years. This trend is based on the community of class interests, the interweaving and interdependence of finance capital and a mutual endeavor to underpin one another's "power positions" in respect of the USSR and the other socialist and also developing states of Asia and the Pacific. This is the main reason why, despite their periodic exacerbation, American-Japanese contradictions are resolved to this extent or the other within the framework of allied relations and do not go beyond the certain limits which guarantee the continuation and pursuit of a common regional and global imperialist strategy.

* INTERNATIONAL HERALD TRIBUNE, 5 February 1986.

It was not fortuitous that during Japanese Prime Minister Z. Suzuki's visit to the United States in May 1981 relations between the two countries were officially characterized as allied. Insisting on such a formulation, the Reagan administration thus in fact equated the "security treaty" with Japan and the North Atlantic Treaty. And when, under pressure from an indignant Japanese public, Z. Suzuki subsequently attempted to depict the term "alliance" as expressing merely the "philosophical identity" of views of Tokyo and Washington, the Americans made it absolutely unambiguously understood that it was their belief that "the way is now open to direct strategic and military cooperation in the form of an alliance actively directed against the Soviet Union."*

At Washington's insistence Tokyo has, first, to support the United States' global strategy even more energetically and, second, play an ever growing part in imperialism's military preparations in the Pacific. Japan is assuming a considerable share of the expenditure on the maintenance of the American armed forces and bases on its territory, increasing appropriations for its own "self-defense" force and so forth.

In developing in the Asia-Pacific region a springboard for confrontation with the USSR the Reagan administration is seeking new "rights" for deploying on Japanese territory and in its surrounding waters various new American intermediate- and long-range arms, nuclear delivery systems--aircraft, cruise missiles, submarines and surface ships and so forth--included. Washington is also seeking in every possible way an expansion of Japan's military relations and cooperation with the members of the ANZUS bloc and the ASEAN countries, particularly South Korea. In addition, attempts are being made to establish direct contacts between Japan and NATO.

At the meeting of the "big seven" of the capitalist world in Williamsburg (United States) in May 1983 Y. Nakasone signed the joint "political declaration on security issues," which was adopted at such meetings for the first time, and openly supported NATO's decision on the deployment of American intermediate-range nuclear missiles in Europe and Washington's "hardline" policy as a whole.

In December 1984 General Tixner, commander of U.S. armed forces in Japan, and General Watanabe, chairman of the Japanese "Self-Defense Force" Chiefs of Staff Committee, signed a protocol on the development of plans for joint combat operations in the event of "special circumstances" no longer just within the confines of Japan itself but far beyond it also. It is in fact a question of agreement concerning joint military operations in the event of any conflict arising in the vast expanses of the Asia-Pacific region.

Despite the close military cooperation of Washington and Tokyo, it has to be mentioned at the same time that, as distinct from the United States' NATO allies, the "Self-Defense Force" remains fully under national command, and 95 percent of the arms which it uses are made by Japanese industry. Such facts

* NEUER ZUERCHER ZEITUNG, 12 May 1981.

are causing serious Pentagon dissatisfaction. The Reagan administration is increasingly insistent in posing the question of the "interaction and interchangeability" of the two powers' armed forces and the "standardization" of their arms and communications and command systems, that is, is endeavoring to bring the "Self-Defense Force" under American control.

Tokyo considers as its important "trump card" in mutual relations with the United States the question of supplies of advanced "dual" or purely military technology for the Pentagon's needs. While having adopted in January 1983 under American pressure a decision in principle on exports of such technology to the United States and having concluded in November of the same year the corresponding bilateral agreement the Nakasone government (in conjunction with representatives of the Japanese monopolies) far from always and at once agrees to satisfy the Americans' specific wishes in this sphere. Only in the summer of 1985 was the first Pentagon request for the supply of an electronic component of a search and homing system accepted. This precedent, according to the American press, was evaluated highly in Washington: "Some officials regard the transfer of technology as Japan's most important contribution to joint defense. Japan's cooperation is sought particularly in the sphere of President Reagan's initiative pertaining to the creation of a space-based antimissile defense."*

The most important and at the same time contentious issue both for Tokyo and for Washington remains to what its military-technological cooperation with the United States and participation in realization of the "strategic defense initiative" could lead Japan: realization of the hopes of the country's chauvinist, militarist circles for an end to the antiwar articles of the constitution and the three well-known nonnuclear principles and renunciation of the special parliamentary resolution confining Japan's activity in space solely to "peaceful purposes" and, correspondingly, the underpinning of its economic power by military strength or, on the other hand, a growth of military-political dependence on Washington as a result of the transfer of a substantial proportion of its S&T and technological discoveries and innovations for the use and essentially to the control of the United States.

Military correspondent Hiroko (Yamane) concludes: "If Japan begins to rely only on technological might in the hope of improving its image of loyal ally and increasingly dissatisfied sponsor without changes in its own political position, it will find increasingly often that the political and strategic decisions affecting its security will be made in America."*

On the eve of the "big seven" meeting in May 1986 in Tokyo much was being written in the world press about Japan's ever growing significance as a "power center" of present-day imperialism. The Nakasone government endeavored to use this meeting to strengthen the country's international positions even more. It drew up, in particular, a number of proposals in the S&T and economic spheres, including one concerning the creation of a consortium of leading

* INTERNATIONAL HERALD TRIBUNE, 4 July 1985.

** Ibid., 24 October 1985.

capitalist states for research in certain promising fields of science and technology, for the financing of whose activity it expressed its readiness to grant \$5 billion.

However, these proposals did not meet with the due response from Japan's partners at the meeting, primarily the United States. President Reagan sternly reminded Nakasone of American unhappiness with Japan's trade policy and demanded that no measures be implemented against the rise in the exchange rate of the yen or any measures to enhance the country's competitiveness on world markets. At the same time, however, he sought the signing by all the participants in the Tokyo meeting of a declaration on "international terrorism" which essentially approved American aircraft's barbaric raids on Libya and the United States' general policy of combating national liberation, progressive forces throughout the world. Although Japanese diplomacy attempted to lessen the significance of its signature beneath this declaration and its anti-Arab focus, the Nakasone government had essentially once again supported Washington's neoglobalist policy.

Approaching international politics with the "eternal" and in fact increasingly anachronistic imperialist categories of force and domination, the ruling circles of the United States and Japan are involving their countries increasingly deeply in a bitter competitive struggle for trade-finance and S&T superiority. At the same time, however, disturbed by the growing complications in the two powers' mutual relations, they are seeking an opportunity to improve relations not only on the paths of the formulation of compromise agreements but also deals at the expense of third countries, a buildup of the arms race and the cobbling together of an "eastern" front of the struggle against the USSR and the forces of socialism and national liberation.

All this is leading to a further growth of tension in relations between the United States and Japan themselves and a deterioration in the general situation in the Asia-Pacific region and a growth of military-strategic instability and the danger of conflicts here giving rise to the serious disquiet of the peoples of Asia and the Pacific and the whole world.

As a counterweight to the dangerous plans and measures of the militarist circles of the United States and Japan the USSR is striving for the elaboration of a general comprehensive approach to problems of ensuring stability, security and peace in Asia and the vast adjacent areas of the Pacific and Indian oceans. The way to this lies via bilateral negotiations and multilateral consultations as far as the holding of an all-Asia forum. In advocating the elimination of nuclear and chemical weapons and the prevention of the militarization of space, accelerating its socioeconomic development, particularly the areas of Siberia and the Far East, and presenting specific initiatives for ensuring peace in the Asia-Pacific region the Soviet Union is graphically demonstrating interest in and a readiness for the creation here in conjunction with other states, including the United States and Japan, of a reliable system of security in the military, political, economic and humanitarian fields.

The Soviet Government Statement of 23 April 1986 observes: "The Soviet Union is profoundly convinced that the establishment of extensive cooperation on the basis of the quality and mutual benefit of all countries of the Asia-Pacific region, regardless of differences in their social system, corresponds to the

fundamental interests of the states of this part of the world and will contribute to a restructuring of international relations on an equal, democratic basis. Our country is ready to participate actively in such regional peaceful cooperation and to use to this end the economic and S&T potential at its disposal."

The consolidation of the good-neighborliness and friendship of all Asia-Pacific countries and the unification of their efforts in a general quest for constructive solutions of problems of security in Asia and the Pacific would be reflected favorably not only in the situation in this region but would also be a contribution to the preservation and consolidation of general peace.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda",
"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1986.

8850/9869

CSO: 1816/12

CONSERVATIVE CLERICALISM IN U.S. FOREIGN POLICY

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 59-67

[Article by N. Kovalskiy: "Conservative Clericalism in the Foreign Policy of U.S. Imperialism"]

[Text] In the contemporary complex, diverse and rapidly changing world rightwing, reactionary forces are attempting to hold back social changes in the zone of capitalism which are not to their benefit and impede the development of the processes of social and national liberation. An important field of their activity is the sphere of the foreign policy of the imperialist states, primarily the United States, where a militant grouping of the right which has abruptly changed the solution of international problems on the basis of military-power policy has assumed office. Good-neighborliness and cooperation as principles of world development and the political philosophy of international relations have been put in jeopardy.

The so-called religious right is now an active detachment of American reaction. In evaluating its role in the United States' foreign policy it should be considered that this is not a monolithic whole but an aggregate of various churches and clerical organizations and movements between which there are contradictions and disagreements in the approach to individual aspects of the world situation.

I

The end of the 1970's and the 1980's have been marked by a growth in the camp of American conservatism of the authority of clerical reaction, which openly aspires to influence the formulation and pursuit of U.S. foreign policy. "I cannot recall a time in contemporary political history when such a powerful extremist grouping as the present rightwing religious and political coalition has come so close to seizing power in America,"* Paul Kirk, chairman of the Democratic Party National Committee, observes in this connection.

* The PHILADELPHIA INQUIRER, 9 November 1986.

Truly, together with the military-industrial complex and the political forces grouped around it playing the principal part in the shaping of contemporary U.S. foreign policy ever increasing significance is attached to influential reactionary organizations operating, as they say, from religious standpoints. Speculation on religion and in practice the expression of the egotistical interests of the most reactionary groups of society form the basis of the ideological views and political activity of such organizations. These organizations are in terms of their aims and tasks of a purely class nature and serve a definite part of the United States' ruling upper crust.

Clerical reaction has become an integral part of the establishment in the United States. It is no accident that American scholars have introduced the "religious establishment" concept.* Among its characteristic features the authors put deep historical roots going back to the 18th-19th centuries and also assured financial support, that is, a strong material basis. It is noteworthy that the "religious establishment" is seen not only as a serious social force shaping the views of a considerable proportion of the population and the elite but also as an "institution" connected with specific manifestations of U.S. political life.

Among the most extremist organizations are the Patriotic Christian Defense League, Christian Voice, American Coalition for Traditional Ideals, National Christian Action Coalition, One Nation Under God, Shepherds of the Church of Christ and others. Some organizations, which are essentially pseudoreligious (Posse Comitatus, for example) are avowedly neo-Nazi formations. These include the so-called Patriotic Christian Defense League, which calls for struggle against "non-Aryans" and which has declared Hitler "the embodiment of the Biblical Prophet Elijah".

Considerable assertiveness has been displayed in recent years by the Institute of Religion and Democracy, which unites rightwing religious dissidents dissatisfied with the insufficiently reactionary, in their opinion, activity of the churches from which they have broken away. The conservative "religious establishment" includes various rightwing evangelical groupings and also the reactionary wing of the American Roman Catholic Church.

A characteristic feature of the country's political life is the growth of the role of religious preachers creating ramified and powerful organizations and making extensive use of radio and television. Pride of place among figures of this type may be given to the head of Moral Majority--an ultraright religious organization--the "electronic preacher" J. Falwell, who is known for his ties to the leadership of the Republican Party, his speech at the Republican Party Convention when R. Reagan was being nominated for a second term and unrestricted access to the White House. J. Falwell has earned words of gratitude from Vice President G. Bush for the support he has given him as possible Republican Party candidate at the 1988 presidential election. J. Falwell gave as the reason for the conversion in 1986 of the Moral Majority into the Freedom Federation an endeavor to enlist new forces in support for the administration's "strategic defense initiative" plans.

** See L. Silk, M. Silk, "The American Establishment," New York, 1980.

Another notable such figure is Pat Robertson, who declares that he intends to be the Republican Party presidential candidate. He has to his credit service in the Marines and studies at Yale and subsequently the New York Religious Seminary. In the opinion of the American press, he could have a real impact on the 1988 election campaign, holding such trump cards as control of the country's third biggest cable television network, a daily audience of 7.2 million homes, annual income of the order of \$320 million and the support of roughly 1 million donors. "Pat's nomination would shift America's political life sharply to the right," THE PHILADELPHIA INQUIRER quotes an American figure.*

The sum total of views disseminated by the American religious right, although characteristic, as a whole, of the conservatives, from whom it borrows certain fundamental conclusions, has many singularities also.

Moved to the fore is the idea of God as a guarantor of the social status quo and a force warning people against cardinal change and a breakup of the existing order.** It employs an apologist theological interpretation of the natural law to substantiate the permanency of the capitalist system. In the sphere of economics it champions free enterprise and the market, protectionism and private property and opposes a "collectivist" economy. In the moral sphere it is claimed that God's commandments are higher than secular moral principles. Even bourgeois-liberal orders are criticized since they allegedly permit the "conversion of the body of the Almighty into an abstract ideal of the human spirit" and are used to "support pacifism, internationalism and socialism."***

A departure from religious abstraction and a literalist interpretation of the Bible are typical of such a reactionary school of the religious right as fundamentalism.**** This current, which was conceived at the start of the century as a response to the liberal trends in the religious environment, has become widespread in the 1980's and the ideological basis of many political concepts of the most rightwing forces of American imperialism. It is significant that political practice often interprets contemporary fundamentalism as the ideology of the present ruling circles of the United States.

In terms of its content fundamentalism is somewhere between conservatism and the most rightwing radicalism. On the one hand it advances the demand for promotion of the permanency of the so-called American way of life and, on the other, displays aggressiveness in respect of the forces of progress on the world scene, urging an offensive against them and their extirpation by way of the use of force. Simultaneously a mood of nostalgia is implanted for the times when the United States was not confronted with a social challenge in the world and, it says, was not forced to secure its "national interests" on the scale of the whole world. Thus is the fundamentalist substantiation of neoglobalism as a principal contemporary concept of American imperialism born.

* THE PHILADELPHIA INQUIRER, 9 November 1986.

** See L. Allison, "Right Principles: A Conservative Philosophy of Politics," New York, 1984, p 180.

*** Ibid., p 67.

**** See "1986 Catholic Almanac," Huntington, 1986, p 288.

For the entire U.S. religious right the political approach to international problems is clothed in the appropriate moral-ethical apparel. The problem of international morality in the fundamentalist interpretation is moved to the fore. So-called Christian values are declared the foundation on which eternal peace on earth should be based. Calls are made to Americans in this connection, as by, for example, the Fellowship Foundation (previously called the International Christian Leadership; an organization known for its assertive anticommunist activity), to pay the main attention to the establishment and development of "spiritual" relations overseas.

Naturally, such "relations" are conceived of in a purely anti-Soviet, anticommunist plane. The American clerical right is establishing cooperation with forces of religious reaction in other countries and regions, primarily in West Europe and Latin America. Their activity here blends in with such anticommunist extremist organizations as Moon's Unification Church and other groupings of the right pretending to a religious nature.

Realization of the United States' foreign policy tasks is incorporated by the religious right within the framework of the struggle against "unbelief" and "Godlessness," which is made specific in the form of protests against "atheistic communism". The endeavor is to portray Americans as a "Christian nation" (this term is promoted by the American Coalition for Traditional Ideals, in particular; its leadership incorporates prominent members of the religious right, including J. Falwell, J. Swaggart and T. LaHaye), which has created a society which is an exponent of Christian ideals and defends them worldwide.

This interpretation of American society by the religious right enables it to claim that Americans are God's chosen nation. This justifies the claims to world domination, the foisting of its will on other peoples, interference in their internal affairs, the demand that the United States be recognized as the world leader and so forth. In a word, from "moral leadership" ensues the "right" to political, military and every other leadership.

The American people are thus advanced in the role of "messiah". It is instilled in them that they are called on to save long-suffering mankind and create on earth a society in the image and likeness of the present United States. Although the idea of messianism is by no means new for Americans (it has been preached in various aspects as of the end of the 18th century), never in the past did it serve so actively and specifically the foreign policy practice of the ruling upper crust. The idea of God's elect formed the basis of the "American century" concept persistently implanted by the foreign policy propaganda of U.S. imperialism. Within the framework of this idea all directions of the country's international activity are presented as being pleasing to the Almighty and carried out virtually with his blessing. A moral-religious base is thereby imparted to the foreign policy of American imperialism, in its most aggressive manifestations included.

This conceptual approach to the problems of world politics developed by the religious right has become an important, highly noticeable component of the ideological-political platform of the U.S. Administration. The WASHINGTON POST quoted in this connection the opinion of Prof Martin (Marti), who believes that "Reagan has much in common with them (the religious right--N.K.) and he

almost instinctively plays into these people's hands. The decisive aspect is the community of their primitive views of the world and its primitive division into good and evil, between God and Satan, Christ and the Antichrist. There is no middle ground."*

II

Prior to President R. Reagan, few American leading figures, probably, would have ventured to speak so plainly and approvingly of the interconnection of politics and religion as he has in a number of his public speeches, at conventions of the Bnai Brith influential social organization of a rightist persuasion and the Republican Party included, endeavoring to put the religious factor at the service of his election campaign for a second term. It was no accident that the Paris LE MONDE wrote that Reagan, for whom religion and politics are inseparable since "politics and morality are blended as one, and religion is the foundation of morality," is the de facto religion candidate.**

Much has been written in political literature and the popular press about the U.S. President's use of the religious factor for personal political purposes and his assertions concerning the allegedly divine predestination of his government. The subject of God is inexhaustible for R. Reagan, B. Slosser, the author of one such study, writes. Following the attempt on the President's life in 1981, Cardinal T. Cook told the President: "The hand of the Lord is upon you" and heard in reply: "I know."*** B. Slosser accuses the President of speculating on religion.

The U.S. Administration is characterized by the direct enlistment of the religious right in political practice. Congressman Jack Kemp, for example, a founder of the Christian Effort To Save the Dissidents organization, was appointed member of the U.S. delegation at the Special UN Disarmament Session and has taken part in the strategic offensive arms limitation talks in Geneva. The American press calls him a possible Republican presidential candidate in 1988.

Another functional task being performed by the religious right is putting pressure on politicians (congressmen, particularly) expressing disagreement with the present policy or individual specific actions of the administration. Political campaigns are unwound against them, and they are accused of betraying the interests and ideals of America.

The religious right's interference in foreign policy and its support for the Republican administration and rightwing congressmen are conditioned by the community of approach to the current international situation, the assessment thereof and practical conclusions. They are united by the elevation to a moral rule of aggressive behavior on the international scene, proclamation of the need for the militarization of policy and thinking and disregard for the

* THE WASHINGTON POST, 29 September 1984.

** LE MONDE, 15 September 1984.

*** B. Slosser, "Reagan Inside Out," Waco (Texas), 1984, p 37.

interests of other states and peoples. The spurring of international tension, they believe, is an excuse for global claims, interference in other countries' affairs and increased military spending.

Connecting the outcome of the confrontation of the two systems on the world scene with a power solution, which, it is alleged, will be feasible as soon as the United States has military superiority to the USSR, is typical of all groupings of America's religious right. In fact it rules out the possibility of a dialogue with the Soviet Union and the other socialist countries. Its scenario of the development of Soviet-American relations has room only for diktat, power pressure and blackmail. Peaceful coexistence as the highest universal principle of international relations is rejected, and military confrontation is proclaimed. To evaluate the essence of the set of foreign policy ideas of the religious right, it is conscious substantiation of the rejection of normal civilized relations between states.

This approach naturally makes for the unity of views of the religious right and the military-industrial complex in specific areas of the arms race, nuclear primarily. The buildup of nuclear weapons is proclaimed an essential means of "detering" the mythical nuclear threat on the part of the USSR. "The church regards the strategy of nuclear deterrence as morally permissible," the Catholic Cardinal T. Cook asserted.

Unanimity was also displayed on the question of the deployment in a number of West European countries of American cruise missiles and Pershing 2's. Not only the ultraright clerical organizations but also part of the top Catholic clergy, including Bishop Hennen, supported this action.* The cynical nature of this position was pointed out in his book by the American scholar L. De Mause, who wrote in this connection: "America has decided to prepare Europe as the principal component of our apocalyptic oblation, if thus required, guided by considerations to the effect that this will be a curative blood-letting and extirpation of the world conspiracy and that America will survive the nuclear war and once again rejoice on hallowed ground."**

Army chaplains conduct the appropriate propaganda among the personnel of the armed forces and consecrate in the literal meaning of the word new types of arms, nuclear included. The use of religion for propaganda purposes has reached such proportions that the Trident nuclear submarine was named Corpus Christi (Body of Christ).

The cardinal direction of the joint activity of the religious right and the groupings in power in the United States in the sphere of domestic and foreign policy is anti-Sovietism and anticommunism. The goal pursued here is that of solving at the expense of socialism the internal contradictions inherent in the contemporary stage of the capitalist system, splitting the socialist world and counterposing some countries to others and, as a whole, putting socialism in the most unfavorable conditions possible. The "crusade" proclaimed by the U.S. President, a component of which is struggle against

* See LA DOCUMENTATION CATHOLIQUE, 16 January 1983, p 107.

** L. De Mause, "Reagan's America," New York, 1984, pp 104-105.

"communist atheism," may be seen as an expression of religious fundamentalism in the form of the program goals of U.S. imperialism. As is known, the U.S. Administration attempts to portray itself as the defender of religious freedoms. It was not fortuitous that the religious right discerned in the announcement of the start of the "crusade" the development of its own anti-Soviet, anticommunist ideas, which it had formulated long before this.

Clerical reaction is an active participant in the anti-Soviet and anticommunist measures conducted at administration level, including the regularly organized so-called "enslaved countries weeks".

A trend toward promoting the broadening of the ranks of religious reaction and ensuring a shift to the right in the American believer environment thanks to the implantation of anticommunism and anti-Sovietism there may be observed in the position of the U.S. ruling upper crust in respect of the American clerical forces.

As the set of contradictions between U.S. imperialism and the emergent countries develops, the imperialist forces' aspiration to use the religious factor to bring to a standstill and avert the fundamental socioeconomic transformations occurring here and incorporate the young states in the channel of American foreign policy is growing. The U.S. religious right is actively contributing to the pursuit of the imperialist, neocolonialist policy in respect of this group of countries, preservation of the relations of economic dependency which took shape here earlier and neocolonialist exploitation. Ties between the religious right in the United States and clerical reaction in the emergent countries are being strengthened for this purpose. The CIA, which recruits agents there, involves itself in the process of implementation of this cooperation. American missionaries from the ranks of reactionary ministers and branches of American clerical organizations operating in a given region are also enlisted in such activity.

The United States' aggressive pressure and provocations against democratic Nicaragua may serve as an example of the comprehensive use of the religious factor in the struggle against progressive regimes. As a contrived pretext for struggle against its people U.S. imperialism is advancing the need to defend freedom of religion there and prevent "systematic attacks on the church and its ministers and bishops." All this is being served up as a struggle against the "insidious communist plan".

The religious right also hails other exploitation of the U.S. Administration's religious motives in its subversive activity in respect of Third World countries. The aggression against Grenada, whose people the White House had accused, among other transgressions, of having ceased to "reverence God," won its full approval.

The role of the religious right in American foreign policy can be traced not only in the sphere of the confrontation of the two systems and the relations between the United States and the Third World but also in the field of interimperialist contradictions. The belief is prevalent among the religious right that the West European allies are "betraying" the United States in its struggle against communism and not making due effort to strengthen NATO.

Religious conservatism also has the task of ensuring for the United States' imperialist foreign policy a strong social rear, that is, impeding in every way possible an intensification of the contradiction between labor and capital, the growth of the strike struggle and domestic political destabilization as a result of the increase in the number of persons living below the official poverty line and the existence of a substantial army of unemployed, in a word, the deterioration in the social and economic position of the masses. An expression of the activeness of the clerical reaction in this area has been its interference in the activity of union and worker organizations and the persecution of dissidents and the part of American religious circles which is critical of the present administration's social policy. For its part, the White House, supporting this sphere of the activity of clerical reaction, advocates compulsory prayer in American schools and is creating for the religious right an entire system of priorities in the life of American society.

III

In order to correctly understand the place of the religious right in the social-political life of American society and its possibilities for influencing the shaping of the thinking of the masses on questions of international policy it has to be considered that its assertiveness is coming up against a counterweight in the form of the sharp criticism to which the foreign policy course of the present administration is being subjected on the part of a considerable proportion of religious circles.

The current believer environment in the United States is highly diverse, and the religious right cannot claim to express the life position and views of all American believers. In the conglomerate of numerous churches and religious organizations far from all accept the White House's present foreign policy course. A most important reason for this is the understanding of the catastrophic nature for mankind, including the American people, of a world nuclear conflict, which could arise as the result of the power policy and nuclear arms race being pursued by Washington. Nuclear war threatens the destruction of the churches themselves and their parishioners, and the fundamentalists' arguments concerning the ascension to Heaven in the event of catastrophe inspire few people.

A substantial part of believers and figures of various churches condemns the buildup of the arms race from the standpoints of the faith and theological doctrine, seeing the nuclear interests of the military-industrial complex as contrary to the standards of Christian morality. A certain part of religious circles is of the opinion that its protests against nuclear weapons are an expiation of the guilt which the United States bears for having been the first to create the atom bomb and the sole country to have used it under combat conditions to achieve military ends.

The degree of activeness of the antiwar protests and certainty of positions on problems of the arms race are highly varied. Some, like the U.S. Catholic Church, for example, have a comprehensive program on this question. Others--among them, many Protestant churches--have less detailed documents of fundamental procedure pertaining to disarmament problems. There are also those who confine themselves merely to a formulation of the question, opposing the arms race in a general form.

While condemning the U.S. Administration's arms race policy, a substantial part of religious circles is distinguished by a wide range of evaluations of, for example, whence the threat to peace emanates and who is responsible for the international tension; some see no difference in the positions of the United States and the Soviet Union. A number of documents contains propositions of an anti-Soviet nature. The mass media, the social environment serving as the foothold of this church or religious organization or the other and historical traditions exert a big influence on the formation of such positions.

The 1980's with their unprecedented militarist boom in the United States, onslaught of military hysteria and nuclear arms buildup have engendered in religious circles a sense of protest, which is being expressed both in specific antiwar actions and the direct participation of church figures in the peace movement and in their formulation of their definite political positions.

The U.S. Catholic bishops' pastoral message on war and peace, which was approved in 1983 by their national conference (238 votes in favor, 9 against) and thereby became the moral guide for more than 50 million American Catholics, attracted the greatest attention.*

The document had repercussions not only in the United States but also in West Europe, gave rise to concern in NATO circles and brought criticism on the part of American leading figures. As a counterweight to the U.S. Administration's official policy, it essentially condemns the "conscious unleashing of nuclear war," expresses an appeal for ratification of SALT II and states "Catholics' anxiety in the face of nuclear intimidation and their desire for an end to the nuclear arms race." The bishops advocated a suspension of the testing, production and deployment of nuclear weapons and negotiations leading to a general nuclear test ban.

The appeal for accords between the USSR and the United States on problems of peace and disarmament and references to the fact that both states have experience in this sphere call attention to themselves. It is observed here that, despite Christian doctrine's incompatibility with Marxism, there is a "need for states with different political systems to coexist in an interdependent world." The bishops appeal against "falling into the trap of anti-Sovietism, which is incapable of seeing the serious danger in the rivalry of the two superpowers...." This appeal is based, as the pastoral message goes on to say, not on "romantic idealism" but on a "firm realistic awareness that in the event of a nuclear conflict, everyone will lose."

Critical sentiments in respect of the political course of the R. Reagan administration, sometimes receding, sometimes strengthening, have gained a certain stability in American Catholic circles. In a new pastoral message of U.S. Catholic bishops the astronomical military budget is characterized as the "scandal of defense spending" and the reason why millions of Americans are living in conditions below the poverty line.

* See CONGRESSIONAL RECORD, 16 May 1983, pp 6669-6693.

According to MIT professor W. Weiskopf, member of the Papal Academy of Sciences, there is a certain similarity in the positions on disarmament issues in the leadership of the U.S. Catholic Church and M.S. Gorbachev's 15 January 1986 statement. W. Weiskopf observes, in particular, in this connection that the Soviet Union combines its proposal concerning a nuclear arms reduction with the United States' abandonment of realization of the SDI. The American Catholic bishops state: "From our viewpoint realization of the SDI will impede attempts to appreciably reduce offensive forces." W. Weiskopf believes that the Soviet leadership's proposals merit more serious study and response than those which can be judged from Washington's reply.*

The well-known American evangelist preacher B. Graham, who took part in the "Religious Figures of the World Against the Nuclear Threat" world conference in Moscow, sees it as his mission to promote mutual understanding between the USSR and the United States, which, as he says, possess the most devastating arms capable of destroying the world and leaving mankind no chance of survival.

At the start of 1986, when a broad-based campaign containing a demand that the administration support the Soviet moratorium on all nuclear explosions was developing, 170 religious leaders sent the President a message calling for a renunciation of nuclear tests.

The ruling groupings are resorting to a wide range of measures to combat the anti-Reagan mood in religious circles: from ideological indoctrination through unconcealed persecution. The American press reported the trials of the 72-year-old nun Molly Eagen for having taken part in a demonstration in the vicinity of a nuclear laboratory and of another nun, Ann Montgomery, who was sentenced to a long term of imprisonment for antiwar activity. The religious right, which is branding opposition-minded ministers "communist agents" and "apostates," is joining in the persecution also. Unreliable ecclesiastics are being shadowed by government authorities, their telephones are being tapped and their sermons are being taped.

The trial in Tucson of 11 ministers accused of helping refugees from Central America, but essentially for protesting the U.S. Administration's policy in this region had pronounced repercussions. They were the spokesmen for widespread sentiments in the religious environment, to which, for example, the fact that more than 270 religious organizations of the United States grouped around the Catholic and Protestant churches have spoken from analogous standpoints testifies. The trend toward a unification of forces was expressed in the call of the Chicago Religious Commission for the Problems of Central America organization for the "cohesion of representatives of religious beliefs for combating U.S. foreign policy in Central America."

It would be unrealistic to underestimate the impact of clerical conservatism on the domestic situation in the United States and the formation of its foreign policy. As an integral part of the community of American reactionary forces, clerical conservatives are directing their efforts toward a further swing to the right of the political and social life of the United States. They are displaying considerable assertiveness and entering into alliances with other detachments of American reaction and have become an influential

* THE NEW YORK TIMES, 21 April 1986.

political and ideological instrument of the most aggressive part of U.S. imperialist circles, a purveyor of the will of the military-industrial complex and a component of the formation of the thinking of the groupings which are currently in office.

At the same time American reaction is not omnipotent. The stratification in the religious environment, which in the past was considered a strong point of the forces of the right of the United States, testifies to this. The new trends are having to fight their way through the system of monopoly totalitarianism, including its propaganda machinery and punitive bodies. Nonetheless, a religious counterweight to the aggressive policy of U.S. imperialism is being created.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1986.

8850/9869
CSO: 1816/12

PROSPECTS FOR ACCELERATED S&T PROGRESS IN WEST SEEN

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8,
Aug 86 (signed to press 16 Jul 86) pp 101-110

[Article by S. Nikitin: "'Long Wave' Theories and S&T Progress"]

[Excerpts] In the 1970's-1980's there has been a revival of the so-called long wave theories of the development of the capitalist economy.¹ The majority lead in one way or another to the conclusion that the deep-lying and decisive reason for many of the negative phenomena in the development of the capitalist economy of the past decade (intensification of the crisis recessions, decline in the rate of economic growth and labor productivity and others) is S&T progress, more precisely, the fluctuations in its fruitfulness. For this reason a more detailed analysis of this phenomenon is of considerable interest.

'Innovation Long Wave Theories': Essence and Critical Analysis

Soviet economists are faced with the task of ascertaining the deep-lying causes of the economic conditions which give rise to prolonged fluctuations in most important indicators of the capitalist economy.

In our view, the particular features of satisfaction and satiation of various types of large-scale long-term social requirements represent the most legitimate hypothesis in an explanation of the prolonged fluctuations. Capitalism's market economy reacts responsively to the requirements which over a lengthy period stimulate private production and consumer demand, thereby creating a climate for the key parameter of capitalist production--the profit norm. Railroad building and the development of automotive transport are the most impressive examples. The spontaneous capitalist economy is considerably less adapted to respond to requirements which insufficiently stimulate private enterprise and, given the absence or insufficient support of the state, predetermine conditions less conducive to development, including the profit norm.

It is precisely the wave-like change in the types of requirements, which are more or less favorable in the sense of impact on the spontaneous-market parameters of the capitalist economy, which is at the basis of the fluctuations noted by the "long wave" theorists.¹⁴ It is here, we believe, that the first cause should be sought.

The cyclical nature of the appearance of engineering and technological innovations is not corroborated with reference to the past. The assumption, on the other hand, that the serious economic difficulties which have been experienced by the capitalist countries as of the mid-1970's have been determined by the exhaustion of the fruitfulness of scientific and invention activity is also without foundation. There was considerable S&T process stock by the mid-1970's. The further unfolding of the S&T revolution will undoubtedly be based both on the accumulation of new scientific knowhow and the practical investigation of the scientific "reserves".

However, the realization of existing projects is coming up against the limitations of the capitalist market. The exacerbation of the contradictions of capitalist reproduction in the 1970's-1980's expressed in profound cyclical and structural crises, high inflation and mass chronic unemployment has led to a slowing of the overall rate of economic growth and caused an overaccumulation of fixed capital in a number of sectors. In an atmosphere of increased economic instability and uncertainty corporations prefer not to take risks, refraining from major engineering programs and preferring to invest capital in projects which are less grand, but which guarantee surer profits.

In the main capitalist countries a substantial--and in the United States, the overwhelming--proportion of official appropriations for science serves military purposes. This is not only holding back the search for new designs in the civilian sectors and processes but also leading to a sharp deterioration in economic and foreign trade positions.

The said factors have played a decisive part in the slowing of S&T progress, which was manifested in relief in the decline in the growth of labor productivity in the 1970's in the leading capitalist countries, particularly the United States. However, these facts should be interpreted without undue absolutization. All the less legitimate is it to consider them the start of stable and long-term trends.

First, oblique indicators, which are not only provisional but also sometimes imprecise, are used to gauge the dynamics of S&T progress. For example, labor productivity data are frequently used for this purpose. But the movement of this indicator depends not only on the rate of S&T progress but also on many other factors, which frequently perform the decisive role. It is also necessary to take into consideration the specifics of the specific period.

As a whole, the connection of a deceleration of labor productivity growth with the slack course of S&T progress is legitimate, but only given a "normal" correlation in the relative dynamics of the prices of the most important production components: in other words, given the increased cost of labor resources compared with the material, including raw material, cost. S&T progress under the conditions of private enterprise (that is, the aspiration to profit maximization) is aimed primarily at achieving economies in the most costly resources or those with rapidly rising costs. For this reason an intensive relative increase in the cost of labor resources stimulates primarily economies in labor, that is, a growth of its productivity. Such "normal" conditions are typical of the economic development of capitalism. But in the 1970's there was an abrupt--absolute and relative--increase in the

cost of energy and raw materials. Obviously, there had to be a change-- and there was--in the priority focus of S&T progress. The energy- and material-saving fields moved to the fore.

The 1980's, particularly following the capitalist economy's emergence from the 1980-1982 crisis, have been specific also. A "normal" correlation in the changes of the prices of various production resources has been restored; in the hierarchy of priorities economies in labor resources have once again taken pride of place, which has stimulated the introduction of measures to increase labor productivity. There have been instances testifying to a new acceleration of S&T progress in the leading capitalist countries. Inasmuch as these processes are occurring in a phase of cyclical upturn, making a complete evaluation of them is difficult. However, a number of indicators of the American economy of recent years (the high rate of increase in capital investments in equipment, acceleration of the renewal of the industrial product, corporations' increased financing of expenditure on R&D and others) are reason to assume a change in the previous trend.

Thus the slowing of S&T progress in the leading capitalist countries of the 1970's was limited, and the data were sometimes of a provisional nature. It was most likely a short-term hitch. Most recent fields of S&T progress which in the next 2-3 decades are capable of radically changing the engineering and technological basis of contemporary capitalist production are now gathering pace increasingly. This question merits more serious analysis.

Prospects of S&T Progress and the Economic Growth Rate

The "pessimistic" conclusions concerning the existence of a long period of stagnation in S&T progress connected with a certain phase of long waves are not corroborated by facts of the present period. The subsequent analysis of the most important directions of the new stage of S&T progress characteristic of the current period testifies to this with sufficient eloquence. The causes of the prolonged fluctuations (long waves) in the number of economic parameters need to be sought, we believe, not in the fluctuation of the fruitfulness of scientific activity and S&T progress but in their differing impact on the unfolding of social requirements, and correspondingly, on the economic growth rate. And an analysis of the varying nature of the impact of S&T progress on the output growth rate and the employment growth rate (with regard for the great socioeconomic significance of the second indicator) is of special interest, what is more.

For this reason we will switch to a concise analysis of the current most recent fields of S&T progress and their possible impact in the immediate future on the growth rate of output and employment.

Among the most promising directions of S&T progress one of the first places goes to those which are connected with energy problems.

The further intensification and expansion of automation based on the upgrading of computers, the mass spread of microelectronics (microprocessors) and the extensive use of robots are not in doubt. The accelerated development of

information-computer equipment will continue in the immediate future. Progress may be expected in the solution of problems of computer software, which is as yet a certain inhibitor of the development and application of computers.

The use of microprocessors, which afford opportunities for the transformation of many processes, including manual operations, the service sphere and mental work even, is distinguished by the most revolutionary character. Particular significance is attached to the transition from purely computing technology to artificial "intelligence". The development of the industrial use of program-controlled robots, particularly for the performance of manual, heavy and dangerous operations, is anticipated.

The functional role of communications also is changing on the basis of computers and microelectronics. In material production it has occupied and continues to occupy a special, independent place: a high level of the development of communications is an important factor of an increase in the efficiency of the reproduction process. There has been a pronounced change in the past 15-20 years in the role of communications and an expansion and modification of their functions. The modern sphere of communications is the basis for large-scale automated computer and information-control systems, which are increasing the efficiency of the economy considerably. Information-computer services have practically separated out into an independent structural component. Communications are becoming the material-technical basis of the information industry--a new large-scale intersectoral complex of the modern economy. Communications are becoming a structural component on which the spread of the results of the achievements of S&T progress in other sectors will depend to a large extent. However, the restructuring of the information channels and the transition to new forms of work are encountering numerous obstacles of an economic, social and technical nature. This is connected to a large extent with the need for a change in the information infrastructure and its "docking" with communications systems. According to the optimum estimates, the complete transformation of the system of business communications will take no less than 20 years.

Biological sciences are experiencing rapid development along the lines of use of the results of this branch of knowledge for tackling production and economic tasks. On the agenda is the need for the comprehensive solution of the problems of raw material and other resources based on the priority development of equipment and technology of the material- and capital-saving type. Particular significance is attached to an intensification of research into and the assimilation of new industrial materials with preset properties based on the latest achievements of chemistry, physics and biology. This approach is of a revolutionary nature, leading to fundamental changes in the methods of obtaining and the properties of many industrial materials and revealing entirely new spheres of their use connected, inter alia, with fundamental transformations in the equipment and technology or a number of processes and spheres of the economy.

The said directions of S&T progress are seen as the most promising. However, they by no means exhaust the list. It is sufficient to mention the need for a comprehensive solution of ecological problems; development of the oceans, the deep-lying layers of the earth and the Arctic and sub-Arctic parts of dry land; and to note the continuing technical progress in sectors of industry, in transport and in other spheres of activity.

Theoretical analysis and empirical data indicate that the speed and intensity of S&T progress exert a pronounced influence on the increase in or, at least, maintenance of the relatively high growth rate of the capitalist economy. However, the "strength" of the influence depends on a number of conditions.¹⁵

A big role, particularly from the viewpoint of economic growth, is performed by the focus of S&T progress. The strongest elevating "pressure" is noted when the result of S&T progress is an expansion of the market. This is usually connected with significant changes in the sectoral and production structure and also in consumption. The dissemination of automobiles, television receivers and electrical goods may be mentioned as an example. In other cases, when the replacement of obsolete equipment and technology is advanced to the fore, the influence of S&T progress on the value of the economic growth rate is more indirect and modest (expansion of the market is achieved by way of a reduction in production costs). Granted all the conditionality of the separation of the two types of impact, it nonetheless affords an opportunity for evaluating the scale of the influence of science and technology on the rate of economic development.

S&T progress of the first type was more characteristic of the 1950's-1960's. There were considerable changes in the sectoral and production structure, and new types of consumption (motorized transport, home appliances, radio and electrical goods, services and tourism and so forth) developed. It was this which determined economic growth, in the main. "Functional changes" within the evolved sectoral and production structure along the lines of the expanded application of electronics, information science, communications, new forms of energy and so forth have predominated as of the latter half of the 1970's (and up to the 1990's, evidently). This will undoubtedly be reflected in the sectoral and production structure and also personal consumption, but to a considerably lesser extent than in the 1950's-1960's. The transformations concern to a greater extent the functioning of the sectors and processes by way of an upgrading of equipment and technology.

However, S&T progress under capitalist conditions does not always lead to an acceleration of economic growth. The events of recent decades have demonstrated increasingly distinctly that in the long-term plane negative consequences are possible also--it is sufficient to mention the exacerbation of the energy and ecological problems of the 1970's. Assuming in certain periods crisis forms, it has been an important factor of the deterioration of the general conditions of capitalist reproduction characteristic of the past 2 decades.

The singularities which brought about the present influence of S&T progress on the economic growth rate explain why the majority of forecasters considers a return to the high rate of growth of production and capital accumulation of the 1950's-1960's impossible.¹⁶

Great social significance is attached to the problem of the impact of S&T progress on employment. The prospects here are more than dim, although the works in this sphere in terms of tone may provisionally be divided into "pessimistic" and "optimistic". A number of experts is disposed to the idea that an increase in employment is possible, but only in a relatively narrow group of high-tech sectors. Only 1 million new jobs may be created in the next decade in the United States, for example (whereas in the period 1980-1982 alone American manufacturing industry shed approximately 2 million jobs).

The trends in question threaten an absolute and relative growth of unemployment with all the negative and, at times, disastrous socioeconomic consequences. It is anticipated that robots, for example, will replace 7 million persons in the United States' manufacturing industry. According to estimates of the American Auto Workers Union, the numbers of those employed in this sector will by 1990 have declined 20 percent (and this given an anticipated average annual rate of increase in sales of approximately 1.8 percent).

In respect of broader and more distant prospects the forecast observes: "Rapid progress in the direction of the creation of factories without workers and also automated, albeit still crowded, offices will have an impact on jobs and employment in the United States on a hitherto unprecedented scale.... Automation is basically an evolutionary process. But the specifics of the next 2 decades will consist of the growing complexity of microprocessors.. most likely making automation a process which is considerably more flexible and with a broader sphere of application. Experts believe that... approximately 45 percent of jobs in the country... will be affected by automation. And this will occur before the year 2000, in the main."¹⁷

According to other estimates, the level of unemployment in the country could, given a low rate of growth and unchanged work week, by the year 2000 have grown to 28-30 percent. Such forecasts proceed from development trends which have already shown themselves. Thus an abrupt absolute and relative increase in unemployment can be clearly traced in the U.S. economy in the 1970's-1980's (following the last two crises, the unemployment level has not returned to the precrisis level).

To turn to the works of an "optimistic" frame of mind, one part of them is characterized by vagueness, uncertainty and maximalism. Without denying, as a rule, the "pessimistic" forecast estimates, their authors nonetheless put their hopes either in some, as yet undisclosed, methods of stimulation of production and employment or the possibilities of some new technical or economic innovations, which must necessarily emerge as a response to the anticipated deterioration in the economic situation. Some people put their hopes in government regulation. For example, the British economist J. Ray alternately or in a "complex" puts his hopes in microprocessors, nuclear power, the ecological sphere, services, government particularly, and others.¹⁸ While recognizing the prospects of a growth of unemployment Ray still believes that the current estimates are either exaggerated or that the expansion of the army of "superfluous" people "will be prevented by certain organizational or institutional innovations."¹⁹

A specific place among the works of an "optimistic" frame of mind are occupied by those of bourgeois authors with a broad socio-propagandist resonance (like the "information society" theories), in which the coming stage of the S&T revolution is interpreted as some "new" period in the development of capitalism. The surmounting or a considerable easing of the socioeconomic antagonisms of the last exploiter system are predicted. They are reminiscent

of the works of bourgeois authors of the recent past which expressed similar hopes connected with S&T progress or structural changes in the capitalist economy (like, for example, the "post-industrial society" theories). Life has shown their absurdity. Such will also be the fate of the new theoretical search.

A particular place is occupied by official forecasts, which are also of an "optimistic" nature. Thus, according to such forecasts, a reduction in the unemployment "norm" from the 7.8 percent in 1984 to 5.7 percent in 1989 is anticipated in the United States. Without disputing the increased impact on employment of S&T progress, structural changes and the internationalization of the world economy, the authors of these forecasts rely on two premises. First, a change in the demographic situation--a reduction in the influx of manpower into the U.S. economy. Second, the anticipated increase in the economic growth rate. They also cite historical experience here: revolutionary changes in production have allegedly always led to an appreciable increase in the numbers of the employed.

These assessments and their reasoning are giving rise to numerous objections. Opponents dispute the possibility of a considerable increase in the future in the economic growth rate to the level necessary to absorb the unemployment; they point to a distinguishing feature of the current S&T revolution--its predominant thrust toward economies in resources, labor particularly; they see a reduction in the influx of new manpower as an extra incentive to the development of the automation of production; and so forth.

Even if the most "pessimistic" predictions are not entirely justified, the forecast estimates of unemployment testify not only to the continuation but also an increase in the future of its mass (that is, extremely high quantitative) and general (that is, essentially extending to all categories of workers) nature. According to the most "optimistic" forecasts, its level in the United States in the next 10-15 years will be higher than in the 1950's-1960's. A striking contrast between the past and the future in this respect is anticipated in the West European countries also. The problem of unemployment will thus show itself even more to be a most important social problem of present-day capitalism and powerful factor of destabilization of its socioeconomic structure.

As the CPSU Central Committee Political Report to the 27th party congress observed: "The capitalism of the 1980's, the capitalism of the age of electronics and information, computers and robots, is throwing out onto the street new millions of people, including the young and educated."

FOOTNOTES

1. "The abrupt aborting in 1974-1975 of the long period of postwar prosperity and the slow recovery following the deep recession of 1975 with all the attendant phenomena--particularly the galloping inflation and high unemployment--have compelled attention to be paid once again to the once widely discussed long wave theories. These theories have been an object of serious interest simultaneously with all the contradictions which have surrounded them since the time they emerged," the British economist J. Ray wrote (LLOYDS BANK REVIEW, January 1980, p 14).

14. Such an approach, we believe, refutes also the attempt to construct theories which are guilty of extremely pessimistic conclusions. The "research" of the Belgian economist E. Mandel cannot be passed over in this plane. Arbitrarily interpreting a number of K. Marx's propositions, he links the appearance of long waves with the periodic tendency of the profit norm to decline, particularly in a recession phase. This tendency, according to Mandel (without sufficient statistical corroboration, incidentally), is strictly determined and leads to sharply negative economic and social consequences. As Mandel sees it, it may be overcome only with the help of political cataclysms, particularly wars (in other words, wars or other cataclysms are given as the sole method of transition from a long wave recession phase to its upturn phase). Such an interpretation of long waves is baseless and politically fallacious. It essentially lends economic justification to the inevitability of wars concept.
15. For example, the United States' S&T leadership in the capitalist world in the 1950-1960's was combined with a relatively low growth rate of the economy and labor productivity; the developed capitalist countries oriented toward the borrowing of S&T potential had considerably "better" indicators.
16. "No one can predict the future with certainty. Nonetheless, I believe that the final quarter of the 20th century will be characterized by less than three-fourths of the rate of economic progress achieved earlier" (THE JAPAN ECONOMIC JOURNAL, 10 March 1981, p 20).
17. BUSINESS WEEK, 3 August 1981, p 52.
18. "Many people believe that the next great innovation, equal in terms of significance to the automobile in Kondratyev cycles of the past and comparable with it in terms of breadth and depth of influence on the economy, will be the microprocessor.... It is likely that it could be the candidate for the leading role in the engineering and technological upturn, having created the necessary impetus for an escape from the period of 'technological stagnation' (Mensch's label).... Large-scale nuclear power is still a possible hope for the future.... Environmental protection is creating big demand for new products and processes.... Will the final two decades of this century go down in history as the era of nuclear power or the microprocessor era or some other kind of progress in agriculture, biotechnology or in related fields? Although we can only guess in this respect, there is currently, apparently, sufficient process stock (S&T knowhow--S.N.) to boldly assume that the future will undoubtedly appear better than simply a period of stagnation" (LLOYDS BANK REVIEW, January 1980, pp 23, 24, 26).
19. "The great fears in the 1950's--start of the 1960's in respect of the fact that the mechanization and automation would cause millions of unemployed were unwarranted" (LLOYDS BANK REVIEW, p 26).

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya," 1986 .

FRG ROLE IN SDI DISCUSSED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 111-114

[Article by S. Sokolskiy: "The FRG and SDI"]

[Text] On 27 March 1986 U.S. Defense Secretary C. Weinberger and FRG Economics Minister M. Bangemann signed in Washington agreements regulating FRG participation in the American SDI research. So, in the wake of London the FRG Government officially subscribed to the "star wars" program being developed and implemented by the U.S. military-industrial complex.

Two documents were signed. In the "Joint Agreement in Principle Between the FRG Government and the U.S. Government" ("Agreement in Principle") the partners declare their aspiration "to promote, given observance of security interests, the free exchange of goods, scientific information and technology between the two countries" (article 2). The second document is the "Agreement on the Participation by German Firms, Research Institutions and Other Authorities in Research Connected With the Strategic Defense Initiative" (SDI Treaty). Appended to the agreements are letters exchanged on 17 and 27 March 1986 by U.S. Assistant Defense Secretary R. Perle and L. (Shomerus), head of a department of the FRG Economics Ministry (both headed their countries' delegations at the preliminary negotiations). They concern increased control over West German exports. In addition, there is also a letter from M. Bangemann to C. Weinberger on the creation of a special coordinating body and two letters from Weinberger to Bangemann on "assistance" to West Berlin firms and the rights of the FRG Defense Ministry.

The agreements were concluded as secret agreements, and their publication was not intended.¹ According to press reports, the H. Kohl cabinet did not familiarize even the majority of Bundestag members with them. It is also highly significant that the form of intergovernmental agreements was imparted to the two documents, as a result of which they do not require ratification.

However, on 18 April 1986 the full texts of the agreements were published by the Cologne EXPRESS newspaper and reprinted the following day by FRANKFURTER RUNDSCHAU. The correspondence between R. Perle and L. (Shomerus) was made public 2 days later. With negligible cuts it was published by the well-known weekly DER SPIEGEL.²

Attempting to calm public opinion, Bonn propaganda resorted to a variety of maneuvers. It was claimed, for example, that the participation by FRG firms and research institutions would not be of a military nature and that the government would not aspire to participation in the SDI on a state basis. It was also declared that the agreements were designed primarily to facilitate West German firms' access to advanced American technology and ensure their "equality" and the possibility of deriving from the cooperation with the United States S&T benefits for civil production.

The publication of the texts of the documents refutes such soothing assurances.

First of all, the agreements are of a clearly expressed military-political nature. With their help the FRG is being plainly and directly enlisted in realization of the American "star wars" project. It will become an active participant in the Pentagon's military programs pertaining to the development of space-based weapons and will thereby contribute to the extremely dangerous spread of the arms race to space.

The agreements define the political, military, economic and legal framework of the inclusion of the FRG's industrial and S&T potential in the American SDI research. The purposes and principles of the technological cooperation outlined therein mean not only Bonn's actual recognition of the military nature of such research. They testify to the FRG Government's endeavor to impart a material basis to the participation of West German firms, institutions and other establishments therein. Thus citing FRG Government statements of 27 March, 18 April and 18 December 1985 on political, economic and moral support for the American project,³ in article 1 of the SDI Treaty the parties express "joint interest in the creation of a broad basis for the possibly more all-embracing participation of German (West German--S.S.) firms, research institutions and other authorities" which would care to associate themselves with the SDI.

The subject of this agreement is regulation of the specific sphere of military cooperation between the FRG and the United States. It is essentially a question of a military treaty. This is also set off by the fact that the agreement was signed by the head of the Pentagon, references to other agreements between the partners in the military sphere (articles 3.2.2-3.2.5) and also the particular functions which are assigned the U.S. defense secretary (article 7.2 and article 9). The fact that the treaty is authenticated for the FRG's part by the signature of the economics minister is in this case of no essential significance since this was done manifestly for concealment purposes.⁴

The "German (joint-stock) companies, firms, research institutions or other authorities" (article 2 and article 4.7) with which the treaty entrusts specific participation in the SDI thereby operate in compliance with the international-treaty obligations assumed by the FRG as a state. It is significant in this connection that the "German participation" concept employed in the wording of the treaty (article 4.7) incorporates together with "companies, firms and research institutions" the completely unspecified "other authorities". The entirely realistic possibility of the enlistment in SDI research of FRG

official authorities like, for example, Bundeswehr command authorities also is thereby created. It is important to mention this particularly with regard for the fact that there is no clear-cut line between the scientific research stage and the practical realization of the militarization of space, and the very "SDI research program" concept permits a very broad interpretation.

As became known, the FRG Economics Ministry will assume a coordinating function pertaining to the SDI Treaty in respect of other departments (ministries of foreign affairs, defense and research and technology) and will obtain information directly from the Pentagon.⁵ Inasmuch, however, as formally the spheres of the competence of individual departments are clearly delimited and none of them can interfere in the affairs of another, the foundation is thereby laid for direct contacts between the defense departments of the United States and the FRG on all questions connected with the SDI. In addition, as C. Weinberger demanded, article 9 of the SDI Treaty clearly says that "recognizing joint security interests and for the purpose of facilitating the effective implementation of this agreement, the U.S. Defense Department and the FRG Defense Ministry will mutually exchange information in spheres of SDI research agreed by both sides."

In addition, the partners agreed on an exchange of knowhow in the fields of research "which... they deem useful for an improvement in conventional defense, air defense particularly" (article 9). This provision essentially makes it possible to supplement the SDI with the so-called "European Defense Initiative" (EDI), which is being propagandized in every possible way by Defense Minister M. Woerner. The interconnection between the SDI and the EDI, still denied by the FRG Government, becomes perfectly obvious.

Simultaneously the treaty contains wording from which it follows that the participation of West German firms will be subjected to regulation by enactments concerning military-industrial production. First of all, the procedure for the granting of orders must correspond to the provisions of the 1978 American-West German agreement on the principles of mutual cooperation in the sphere of research, development, manufacture, purchase and repair securing of military equipment. The treaty goes on to point to the corresponding directives of the U.S. Defense Department. Finally, determination of the degree of confidentiality and secrecy of information is the exclusive right of the Pentagon.

The military nature of the SDI Treaty was revealed particularly clearly by Bavarian Prime Minister F.-J. Strauss, who from the very outset had actively involved himself in support of the FRG's broadest possible participation in the American military-space project.⁶ Speaking on 7 April, he emphatically repudiated the statements of M. Bangemann and H.-D. Genscher that the agreements signed in Washington "have nothing in common with military security interests," calling such assertions "simply false". According to Strauss, he had familiarized himself with the documents 2 weeks previously and was "comprehensively briefed" by M. Woerner. "The bulk of the agreements," he declared, concerns "security interests".⁷ For his part, C. Weinberger emphasized at a NATO Nuclear Planning Group session (Wuertzburg, 20-21 March 1986) that he sees the SDI Treaty as a "military treaty," compared with which the Agreement in Principle on technological exchange is of a "lower legal quality".⁸

Although the United States promised--in nonbinding form, it is true--to improve the possibilities for West German firms' more intensive use of American "high" technology, it essentially reserved for itself on all the most important questions an unlimited right of veto. Thus the SDI Treaty points out that deals are to be transacted by the U.S. Government "in accordance with American law and other legal precepts" (article 5.1.1).

The vague, equivocal wording in which the American "statements of intent" concerning further cooperation are couched leave Washington sufficient freedom of action to itself determine the need for and terms of the FRG's participation in the research programs. In addition, the U.S. Government reserves the right to make decisions "in accordance with the security interests, laws and policy of the United States... concerning use of the results of nonsecret research projects... for nonmilitary purposes" (article 8.3.3 of the SDI Treaty).

Doubts are multiplying in this connection in the press and business circles of the FRG⁹ concerning the expediency of West German firms' participation in the SDI program. "Let us not harbor illusions... The federal government has nothing that it could not obtain even without the SDI agreements," the influential weekly DIE ZEIT, for example, writes. And goes on: "No firm which is doing well needs to participate in the SDI."¹⁰ And even before the agreements were signed the weekly WIRTSCHAFTSWOCHE, which represents the interests of big business, expressed disquiet in connection with the "impediments to the free flow of the results of the research" on the part of American legislation (primarily the Administrative Exports Act and the Arms Exports Control Act), which "will in no way be affected by the agreements."¹¹ A certain skepticism is expressed even by such an active supporter of the agreements as S. Mann, spokesman for the country's most influential employers' association--the German Federal Industry Union. He was forced to admit that the principles formulated in Washington "have yet to undergo the serious test of future individual contracts."¹²

As already mentioned, the SDI Treaty records that final decision-making on questions of secrecy and the exchange of technology is the right of the U.S. Defense Department (article 7.2). However, it ensues perfectly unequivocally from the Agreement in Principle and the exchange of letters that both states intend stiffening embargo measures and applying more strictly the already concerted restrictions on exports to the CEMA countries of technology which could be used for military purposes.

The U.S. demands on the FRG Government (they are formulated in R. Perle's letter in the form of questions) amount to the following: stricter compliance with the rules of CoCom (the notorious Coordinating Committee for control of exports to the socialist countries); a tightening of control over exports by way of changes to FRG legislation concerning foreign economic relations and also the penalties for violating this legislation as far as the application of "severe deterrence measures"; bilateral consultations between the FRG and the United States in the process of preparation for multilateral CoCom meetings.

As becomes clear from the return letter of L. (Shomerus), the FRG is already complying with a number of these demands. It also intends upgrading, in accordance with the United States' ideas, its export-control mechanism. It is contemplated for this purpose increasing observation of the movement of commodities subject to the embargo on the territory of the FRG and West Berlin; stiffening the terms of the conclusion of transit deals in respect of these commodities; and introducing a rule in accordance with which employees of foreign diplomatic and consular missions are obliged to seek authorization to export commodities and technology subject to the embargo. In addition, the governments of the FRG and the United States have reached agreement concerning the need to transform the CoCom into a more efficient instrument of export control and improve cooperation between its members.¹³

In displaying a readiness to consent in conjunction with the United States to an additional tightening of the technology embargo the FRG Government simultaneously for the first time in the history of its bilateral agreements granted another state--the United States--the right to a say when deciding questions concerning West German exports to the socialist countries. The FRG has thereby made itself even more dependent on American trade policy. With the conclusion of the Washington agreements, DER SPIEGEL writes, the United States acquired a "new lever" for "smothering" West German firms' trade with the East. "It wishes to prescribe for West Germans directly what they may export and what not."¹⁴

The true nature of the compact concerning the FRG's participation in the SDI is causing growing concern among the peace-loving public both in the FRG itself and outside. With the Washington agreements, UNSERE ZEIT, the newspaper of West Germany's communists, writes, the federal republic "is being integrated into an undertaking whose realization... will reduce to nothing all the efforts to curb the arms race on earth."¹⁵ As the statement made in this connection by the USSR ambassador in the FRG to the FRG Foreign Ministry points out, "the FRG will not find a solution to any of the questions of its present and future on the paths of the arms race and participation in military preparations against the socialist countries."¹⁶

FOOTNOTES

1. One reason was the Pentagon's fears that publication could weaken the United States' positions at the impending negotiations on the conclusion of similar agreements with Italy, Israel and Japan (see FRANKFURTHER ALLGEMEINE, 29 March 1986).
2. See DER SPIEGEL, 21 April 1986, p 28.
3. Addressing the Bundestag on 18 April 1985, Chancellor H. Kohl said: "The resolve and moral right of the U.S. President in this matter are not for me in doubt. Therefore the American research program is, from our viewpoint, justified and politically necessary and corresponds to the security interests of the West as a whole" (DER TAGESSPIEGEL, 19 April 1985).

4. Contrary to the wishes of the United States, which insisted on the signature of Defense Minister M. Woerner, the FRG Government preferred that of the economics minister, attempting to create the impression that "it is not a question of a military agreement but an agreement concerning technological exchange within the framework of SDI research" (see FRANKFURTER ALLGEMEINE, 19 March 1986).
5. See FRANKFURTER ALLGEMEINE, 21 March 1986; DIE WELT, 29/30 March 1986.
6. Thus Strauss declared at the CSU congress in Munich (November 1985): "The American work cannot now be stopped prior to the end of the research phase.... Whence it follows that we should not remain aloof and not seek surrogates of the EUREKA type but by participating in the work and cooperating in the development of new S&T systems take advantage of the opportunity to join in the S&T cycle, which could lead to the new superiority of one of the superpowers..." (BAYERNKURIER, 30 November 1985).
7. See FRANKFURTER RUNDSCHAU, 8 April 1986. F. Ruhe, deputy chairman of the CDU/CSU Bundestag faction, also acknowledged in an interview that although specifically it is a question of an improvement in the possibilities of the cooperation of the West German economy, it is also true that SDI research is "primarily a military-political project" (see DIE WELT, 4 April 1986).
8. See FRANKFURTER ALLGEMEINE, 22 March 1986.
9. Upon his return from the United States M. Bangemann declared that the question of possible participation in the SDI was still being discussed by 50-60 West German firms (see FRANKFURTER ALLGEMEINE, 29 March 1986).
10. DIE ZEIT, 28 March 1986.
11. See WIRTSCHAFTSWOCHE, 21 March 1986, p 15.
12. See HANDELSBLATT, 21 April 1986.
13. See DER SPIEGEL, 21 April 1986, p 28.
14. DER SPIEGEL, 14 April 1986, pp 19-20.
15. UNSERE ZEIT, 5 April 1986.
16. PRAVDA, 5 April 1986.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".

"Mirovaya ekonomika i mezhdunarodnyye otnosheniya", 1986.

8850/9869

CSO: 1816/12

CONSEQUENCES OF U.S. ROLE IN FALL OF MARCOS VIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 118-120

[Article by E. Grebenshchikov: "United States and the Philippines--Behind the Screen of the 'Special Relationship'"]

[Text] The events connected with the early presidential elections in the Philippines are instructive in many respects. Primarily and mostly they revealed in relief the unprecedented scale of Washington's interference in the internal affairs of the island republic, which U.S. ruling circles had become accustomed to regarding as an important outpost in the Asia-Pacific region.

Of course, it was not the fate of democracy or the free will of the Philippine people which troubled the ruling circles of the trans-Pacific power. The subject of their vigilant concerns are the U.S. presence in the archipelago and the interests of American capital.

I

The citadels of capitalism had for a long time been viewing with growing disquiet and alarm the increased political and economic instability in the Philippines. Ultimately the United States tried to heap the entire responsibility for this state of affairs on F. Marcos personally, particularly in the final months of his rule. Washington inclined toward a "changing of the guard" relieving the explosive situation in the Philippines.

The United States "uncovered" increasingly new transgressions of F. Marcos. The U.S. Congress investigated his financial affairs. The methods of government which he practiced were termed "dictatorial" and "oligarchic".

But Washington would have been reconciled to all this had F. Marcos been able to put down the antigovernment insurgent movement which had spread in the soil of discontent with the economic difficulties, the abuse of power and corruption. However, in the struggle against the insurgents Marcos was suffering setback after setback. It was for this reason that Washington considered that his continuance as chief of state had begun to threaten the

military-strategic and economic interests of the United States. It was decided that Marcos was a "losing hand," a figure on whom there was no point placing one's stake.

Washington arrived at this conclusion after considerable hesitation inasmuch as Marcos had a firm reputation as the "reliable, proven and, possibly, best friend" of the United States in Southeast Asia. True, he had permitted himself certain "liberties" (rhetorical criticism of American neocolonialism, calls for the solidarity of the Asian "yellow peoples") and bargained stubbornly on a number of issues, although had never called in question the "special relationship" with Washington and had created in the country a favorable investment climate for the American monopolies.

The United States' transnational corporations occupy the dominating positions here--they account, according to local press data, for 80 percent of foreign capital investments in the country's economy. A larger proportion of the Philippines' foreign debt, which is put at \$25-30 billion, accrues to American banks. Trade between the two countries was in excess of \$4 billion in 1984.

Naturally, the United States endeavored in every possible way to ensconce itself in the Philippines as thoroughly as possible, counting on the utmost assistance of the ruling regime there. Back at the start of the 1980's, the JAPAN TIMES recalled, the Republican administration had rendered Marcos "support of an absolute nature,"* not stinting in its praise of his "allegiance to democracy". R. Reagan himself made repeated mention of Marcos' services "in defense of a just cause."**

However, after Marcos had begun to increasingly have the ground knocked from under him, Washington considered it best to "retire him". Incidentally, this operation required certain effort since for some time after the elections he continued to cling to office. And in U.S. ruling circles themselves disagreements were being revealed on this question for a transfer of power to other hands was attended by a certain risk. The White House, in particular, was distrustful of some of Corazon Aquino's foreign policy advisers who adhered to nationalist positions.

Nonetheless, the electorate had rendered C. Aquino such strong support that, following the stormy events of February-March, Washington had no choice other than essentially to take her side and, what is more, portray matters such that it was only the United States' intervention which had paved C. Aquino's way to power. There really was such intervention. The question is: what was the basis of it? The expert (Kh. Indorf), who is well known in the West, revealed as follows the logic by which Washington was guided: "The term of

* THE JAPAN TIMES, 2 March 1986.

** See FAR EASTERN ECONOMIC REVIEW, 6 March 1986, pp 15-16.

office of this government or the other is determined by geopolitical considerations. If there is an assumption that the so-called interests of the alliance (he refers to the West--E.G.) are in jeopardy, outside interference is considered justified. Its forms may vary."*

The pressure on Marcos built up constantly. It began with a purposeful campaign by the U.S. mass media, it was then joined by Congress, which dispatched to the Philippines one "inquiry" or "inspection" mission after another. In February the pressure reached, perhaps, its peak: 29 ships of the 7th Fleet visited the Subic Bay base in the course of the month. Some 200 marines and 300 Green Beret instructors were sent here on a crash basis from Okinawa. According to NEWSWEEK, the possibility of the use of the latter for instructing the country's armed forces in the "techniques of putting down unrest"*** was discussed.

Washington diplomacy was also engaged in turbulent activity. R. Reagan sent to the Philippines as his emissary P. Habib, who had earlier won for himself the dubious laurels of "peacemaker" in Lebanon. He was obviously to be a kind of "godfather" of the new government, having obtained therefrom assurances of preservation of the Pentagon's bases and observance of American-Philippines agreements.

II

The United States' high-handed actions confused even seasoned observers. S. Karnow, who is known for his conservative views, even he spoke of "the unprecedented scale of U.S. interference in the internal affairs of an allegedly sovereign state."*** Subsequently, he warned, this could lead initially to increased American military assistance and then the dispatch of advisers followed by combat units also.

It is symptomatic in this connection that it was the Pentagon boss who was the first high-ranking representative (of cabinet-member level) of the R. Reagan administration to meet with C. Aquino following her assumption of presidential office. C. Weinberger's visit had been preceded by a visit by W. Crowe, chairman of the Chiefs of Staff Committee.

In a brief period the Philippines were also visited by Secretary of State G. Shultz, G. Sigur, his assistant for East Asia and Pacific affairs, S. Solarz, chairman of a House subcommittee, P. McPherson, director of AID, Sen R. Cranston and others. This unprecedented activity pursued a single goal--instilling the "correct" ideas in the C. Aquino government and setting it on the "right path".

* FAR EASTERN ECONOMIC REVIEW, 27 March 1986, pp 32-33.

** NEWSWEEK, 10 March 1986, p 14.

*** THE JAPAN TIMES, 3 March 1986.

In the course of the contacts and negotiations the American side, according to press reports, insisted on the new government's pursuit of a hardline domestic policy, given reliance on the armed forces. In order to dispose Manila toward the pursuit of such a policy it was promised additional military assistance. However, Washington's gamble on taking advantage of the country's grim economic situation in order to bring it to the point of total obedience did not produce the desired result. Reflecting the prevailing public mood, BUSINESS DAY, which is published in the Philippines, wrote: "The country is in need not of military but economic support."

Thus following his meeting with Vice President S. Laurel on the island of Bali in April 1986, at which he raised the question of increased economic assistance, G. Shultz threw out the sentence: "He has unlimited needs...." Later, however, the head of the State Department was promising "to organize an international campaign" for the purpose of making available to the country a big loan.

It is important to note that none of Washington's veiled threats or promises have prompted the C. Aquino government to abandon a national referendum on the issue of the fate of the American bases after 1991, when their lease expires.* A petition demanding the removal of foreign bases from the country's territory has already been signed by over 6.5 million Filipinos. Assertive activity in this field has been undertaken by such social organizations as the Coalition Against the U.S. bases and the Coalition for Making the Philippines a Nuclear-Free Zone. The negative attitude toward this idea is not concealed across the ocean, however. Washington intends holding on to its military facilities as long as possible. Thus R. Reagan declared in February 1986: "I do not know which bases are more important to us."

For some time American officials have been seeking some alternative, ascertaining the possibilities of moving the bases elsewhere. But the soundings made by Washington have evidently not led to the desired results. In particular, Thailand did not consent to accommodate them, if necessary. Bangkok was interested in supplies of modern combat equipment from the United States and not the transfer of the Pentagon's strong points from the Philippines to the country's territory. Relocating the bases in Japan or Australia would create major political problems for the United States and the governments of these states.

What are the Pentagon's strong points on Philippine soil?

The two main bases--Subic Bay and Clark Field--are together a multipurpose refueling-repair complex situated in proximity to the intersection of the sea lanes linking the Pacific and Indian oceans and on an arc stretching from the Japanese islands to the American base on Diego Garcia.

* The first bases agreement between the United States and the Philippines was concluded in 1947 for 99 years, subsequently the term of the agreement was abridged twice and was ultimately limited to 1991.

When an aircraft carrier puts in to Subic Bay for maintenance, the airmen of the aircraft based on it can carry out training flights at the neighboring airfield. Besides training grounds, the Subic Bay base, which occupies an area of 28,000 hectares, has supply dumps and oil storage tanks, and, according to the press, nuclear weapons are deployed here. The warehouse premises at Subic Bay are used to supply the U.S. Navy facilities in Diego Garcia.

The biggest airfield in the Western Pacific has been built at Clark Field. U.S. marines are dispatched by air bridge from here to South Korea with their attached combat equipment for participation in the annual large-scale Team Spirit maneuvers.

The Philippines remain a participant in the SEATO Treaty, which from the legal viewpoint continues to operate, despite the disbandment of its organization in 1977. In particular, the American-Philippines bases agreement, which was renegotiated in 1983, contained a mention of the SEATO Treaty and provided in this connection for the possibility of the United States' use of the bases in the Philippines for rendering, if necessary, "assistance" to Thailand--the other Asian party to the treaty. The Pentagon views Philippine territory as a springboard for RDF actions geared to carrying out "lightning operations" in a vast zone of the Asia-Pacific region.

The 19th ASEAN foreign ministers' conference was held at the end of June 1986 in Manila, after which, in accordance with established practice, the "six" held consultations with the economically developed Pacific "five" (United States, Japan, Australia, New Zealand and Canada). Here also the United States was true to form: with the support of some of its partners it attempted to turn the discussion in the direction of the notorious "Cambodia problem". Washington also again raised the question of converting the association into "the West's soldier in the East" or, at a minimum, its sword-bearer. Nonetheless, economic problems, and primarily among these, the discriminatory policy of the major capitalist powers were at the center of the attention of the participants in the Manila forum.

S. Laurel, vice president and foreign minister of the Philippines, declared that the question of ASEAN's militarization (a long-standing Pentagon desire) should not even arise since the grouping's task is promoting the economic and cultural progress of the participants. The Philippines also proposed a switch in intra-zonal trade to settlements in the national currencies.

Signs of the times may be seen in the fact that an appeal unanimously approved by the "six" for the conversion of these countries' territory into a nuclear-free zone was heard at the Manila conference. Indonesian Foreign Minister M. Kusumaatmaja observed in his speech that the creation of such a zone would enable the countries of the association to avoid the lot of nuclear hostages of the Pentagon. The United States' response was immediate: it had no intention of removing its nuclear weapons from the Pacific and considered the Southeast Asian developing countries' initiative "mistaken".

The Philippines and world press have expressed the suppositions that the political assertiveness of the masses awoken by the February events and the growth of national self-awareness could lead to a more abrupt formulation of the question concerning the fate of the American military bases after 1991.

The statement, in particular, of Deputy Foreign Minister L. Shahani in an interview with Reuters concerning Manila's intention to review its policy in respect of the possible storage of nuclear weapons at the U.S. bases and calls at local ports by American ships carrying nuclear weapons testifies that debate on this subject is under way in Philippine ruling circles.

The Philippine people are expecting changes for the better. The progressive, democratic forces are demanding emancipation from U.S. tutelage and an independent foreign policy in the interests of all Filipinos and for the sake of consolidating peace and security in the Asia-Pacific region.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya". 1986.

8850

CSO: 1816/12

DEVELOPMENTS IN LATIN AMERICAN SOCIAL THOUGHT VIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 121-130

[Article by A. Shestopal: "Certain Schools in Latin American Bourgeois Sociology"]

[Text] The successes of world socialism and the policy of peace and solidarity with the peoples fighting for freedom pursued by the USSR and the other socialist community countries are creating favorable conditions for the development of the democratic movement on the Latin American continent.

At the same time, however, imperialism's attempts to switch to a counteroffensive in Latin American countries are unceasing, and the atmosphere of aggression, conspiracy and threats on the parts of the U.S. Government is being inflamed.

And this is not surprising if it is borne in mind that, as the CPSU Central Committee Political Report to the 27th CPSU Congress observed, "Merely in the last decade the profit pumped by U.S. corporations from the developing countries has exceeded their investments fourfold. And in respect of the Latin America and Caribbean region the profits of the U.S. monopolies in the same period have exceeded investments more than eightfold."

At the start of the 1970's states of the Latin American continent entered a period of socioeconomic upheavals which conditioned the development of events in subsequent years right up until the present.² The crisis of the world capitalist economy not only struck at the traditional export, agrarian-raw material sectors of the economy but also hit the new sectors with unprecedented force. Foreign capital's extensive penetration of national industry and the conversion of many local firms into affiliates of the transnational monopolies made the region's economy even more dependent and vulnerable.

The merger of local and foreign companies and the spread of the influence of the transnational corporations [TNC] and the international economic, political, cultural and other organizations representing predominantly their interests are increasingly often causing in the mass consciousness of Latin American societies the illusory effect of the "erasure of national

boundaries". The psychological and ideological reaction to it of different social groups of the population is dissimilar.

The foreign monopoly groupings and, together with them, the local pro-imperialist bourgeoisie and bureaucracy are endeavoring to persuade the workers and employees of the affiliates of the foreign firms of the salutary influence of the cooperation of the world capitalist economy, which is allegedly smoothing out international contradictions and leading to stability.

Revitalized conservative and neoconservative political movements (whose nucleus consists of residual elements of the latifundist-comprador oligarchy) are appealing to the most impoverished and politically and culturally least developed marginal strata of the population--former peasants, craftsmen and petty tradesmen ruined in the course of pro-imperialist industrialization and capitalization of the agrarian sector. The conservative caudillos are endeavoring to channel the anti-imperialist movements toward chauvinism and oppose any changes in society. The outwardly opposite sentiments of the traditional-oligarchic and reformist-imperialist plane merge in the ideology of radical-right, profascist movements, constituting the flanks thereof (cosmopolitan and nationalist), which are linked by militant anticommunism.

In response to the ideology and practice of industrial development under the aegis of the TNC the ideologists of the middle and part of the petty bourgeoisie of the continent are putting forward utopian plans for demonopolization and a return to the "honest rules" of market competition within the framework of the national and international capitalist system. It should be mentioned that their positions were considerably undermined in the 1970's.

The strengthened nationalist circles of the local bureaucracy connected with the state-capitalist sector in the economy of Latin American countries are actively advocating the erection of a barrier in the way of the offensive of the TNC. The deformed nature of the development of capitalism in countries of the region frequently appears in their minds here not as a logical consequence of world capitalist development but a phenomenon based on subjective factors--the egotistic mentality and flawed style of political decisions of the ruling elite of the developed industrial powers.

The strata of the petty bourgeoisie and working people with a petty bourgeois consciousness which have been hurt the most are counterposing to the idea of the capitalist "erasure of national boundaries" and the all-permeating interdependence of the foreign and local monopolies the concept of "ultrarevolution" and an immediate continental explosion, also not recognizing a national framework.

The Region's Sociology: Traditions and the Present Day

The crisis of capitalist industrialization in Latin American countries has led to serious changes in bourgeois sociology also. New schools have appeared therein (1970's-1980's) which have reflected both changes in the socioeconomic and political situation and the distinctiveness of theoretical traditions on the continent.

The development of bourgeois and petty bourgeois sociology in Latin America incorporates the same basic questions of the correlation of progress and stagnation, elite character and democracy as in the developed capitalist states. However, the majority of social problems is passed here through the prism of external relations.

Two schools emerge and become the leading ones in the bourgeois sociology of Latin American countries with the appearance and growth of capitalist elements in these societies. The first--the sociology of development ("desarrollismo")--reflects to a considerable extent the tenets of bourgeois cosmopolitanism. "Progressist" concepts here are from the first steps linked with notions concerning national elite character, as a result of which some countries are inevitably the leaders in progress and others receive its benefits from the hands of the leaders.

The second--the "sociology of independence" ("independentism")--puts the emphasis on problems of peoples' rights, transferring thus questions of social equality and bourgeois democracy to the sphere of inter-nation relations. Ideologists of the petty local bourgeoisie--the supporters of this concept--adhere in their theoretical constructions to the standpoints of historical metaphysical character and absolutization of the specifics of backward and dependent societies. They interpret the equality of peoples as a manifestation of the "eternal, natural law" outside of actual socioeconomic and political situations, and it bears to a large extent shades of national isolation.

The formation of the bourgeois "sociology of development" in Latin American countries is connected with the "new middle strata," "integral-elite revolution" and "interdependence" concepts, which successively replaced one another. The "new middle strata" theory, which took shape on the eve and at the outset of the 1950's, reflected Latin American sociologists' recognition of the injustice of the division of the world into industrially developed and undeveloped regions and also illusions of the unlimited possibilities of local capitalism. Its authors--A. de la Torre (Peru), R. Betancur (Venezuela), G. Arciniegas (Argentina) and F. Palavicini and V. Alba (Mexico)--give their interpretation of the social structure taking shape in the process of the industrial development of Latin American societies. Absolutizing individual facts (the influence of national-reformist ideology on the new detachments of the working class, low level of political consciousness of the peasantry), they attempt to gloss over the antagonistic contradictions between the national bourgeoisie and the proletariat and counterpose the working class to the peasantry, which is declared an element of "pre-industrial society".

The supporters of this theory believe that imperialism in Latin America is not the last but first phase of capitalism inasmuch as it is allegedly the stimulant of capitalist development. For this reason social development on the continent has to pass through a long stage of the cooperation of local and foreign capital, and the negative aspects of the activity of the trans-national monopolies are neutralized, what is more, with the aid of the machinery of state in the hands of the "new middle strata".

The path of class collaboration with imperialism, of the Alliance for Progress, proved disastrous for the Latin American bourgeoisie. In the 1960's the TNC and international imperialist organizations gained influence over the majority of local industrialists by having established a direct connection with influential bureaucratic circles; administrators from the civil service and the military, academic and ecclesiastical upper crust. In bourgeois sociology these changes were marked by the emergence of the "integral-elite" school representing the interests of the new pro-imperialist oligarchy.

The "integral society," its supporters believed, knows no division into opposed classes but consists of functional groups complementing one another and concerned for the success of the common cause. The central figure of this idealized version of the organization of developed capitalism is called the representative of the "functional elite"--the manager-expert making extensive use of the techniques of controlling people and things and social analysis and planning. The United States is taken as the model of the "integral-elite society" for the Latin American peoples.⁴

The United States' unsuccessful attempts to "help" a number of Latin American countries solve their internal problems discredited the "integral-elite revolution" sociological concepts. On the eve and at the outset of the 1970's a number of representatives of this school refused to cooperate with the imperialist centers and crossed to left-reformist, nationalist positions. An ultraright current, whose ideologists began to elaborate the theoretical principles of the policy of profascist movements and regimes, separated out within the framework of bourgeois "development sociology" at the same time.

The "national grandeur" and "social justice" mystification in the radical-right concepts concealed the plans of the defenders of the pro-imperialist upper stratum. A particular role here was assigned macrosociological models of an inter-American group of experts elaborating the theory of the "interdependence" of Latin American countries and the imperialist centers.⁵ This theory denies the very possibility of Latin American countries entering the category of developed capitalist powers as equals. The sole alternative open to them within the framework of the capitalist world is incorporation in a new international imperialist division of labor as "factory-countries" with cheap manpower where the ideas and techniques of the more developed "laboratory-countries" are realized. Imperialist circles are affording the local oligarchy assistance for suppressing revolutionary movements and securing a share of the profits and the right of participation in the plunder of the even more backward "village-countries" in Asia and Africa. Thus the "interdependence" theory signifies a departure from the original principles of "development sociology" and confirms the inevitability of the backwardness and dependence of Latin American countries on the developed capitalist world.

The left-radical and left-reformist concepts of petty bourgeois "independence sociology" reflected in their way an actual historical process--the transition of the majority of countries of the region to new forms of dependence on the imperialist centers and an intensification of the crisis of the local

exploiter regimes. The ideological arsenal of "independence sociology" is complex, and an evaluation thereof cannot be unequivocal. Versions of this concept contain acute criticism of imperialism and local reaction and at the same time preserve illusions of supraclass character and a "third way" in the global struggle of the forces of world socialism and imperialism and sometimes bear the imprint of anticommunist prejudices.

By the mid-1960's a group of left-radical authors had taken shape among the sociologists of Latin American countries opposed to pro-imperialist reformism and the theoretical propositions of the "integral-elite" school. However, their protest was realized on the basis of the historically limited positions of the peasantry and petty bourgeoisie and the strata of the intelligentsia associated with it which were being squeezed out by big local and foreign capital and thus lacked a broad perspective and even acquired a certain conservative coloration.

Whereas in the theoretical models of the "integral-elite" school the centers of the capitalist world had been conceived of as the sole source of economic and social progress in the underdeveloped countries, and the urban, industrial sphere of the latter, as the sole base of the development of the rural zone, the supporters of the left-radical "independence sociology" insisted that the agriculture of the underdeveloped countries was the universal source of the Latin American countries' urban development and the progress of the imperialist metropolises. The left-radical sociologists declared the peasantry the "true proletariat" of Latin American countries and they conceived of the winning of independence solely via a guerrilla war of the peasant masses under the leadership of a "revolutionary counterelite"--people from the petty bourgeoisie and intelligentsia.

The economic recession of the end of the 1960's-start of the 1970's did away with the apologist constructions of the supporters of "development sociology" which had lauded the activity of foreign monopolies in Latin American industry. There was a simultaneous collapse of the sociological outlines of the left-radical opponents of pro-imperialist industrialization who had allowed of the possibility of "class peace" and the compromise with imperialism of all social groups which had been connected with the development of industry in Latin American countries (the working class included) and who had placed their hopes of revolutionary change solely in the peasantry.

At the start of the 1970's Latin American sociologists were confronted with the question no longer of abstract outlines of future industrialization and its possible social and political consequences but of an analysis of the mechanisms of industrial development which had actually taken shape and their adjustment or radical transformation. The "new dependency" (neodependentists) sociological school, which became the most influential theoretical school in the bourgeois sociology of Latin American countries in the last decade, was conceived in this situation. Many well-known scholars such as F. Cardoso, S. Furtado, R. Stavenhagen and O. Fals Borda and younger authors who soon gained celebrity in Latin America and outside--T. Dos Santos, R. Mauro Marini (Brazil), M. Kaplan, O. Varshavski (Argentina),

T. Vaskoni (Chile), E. Torres Rivas (Guatemala) and others--associated themselves with it.

Analysis of 'New Dependency'

A progressive aspect in the works of the "neodependentists" is the critical analysis of the set of societal relations--economic, social, political, cultural--which took shape under the conditions of imperialism's penetration of Latin American industry.

The "neodependentists" collated a large amount of material on the foreign monopolies' use of their affiliates and subcontractor companies for exploiting the cheap local manpower and obtaining superprofits. As F. Cardozo observed, "it is not the agrarian oligarchy but the multinational companies, state enterprises and the local firms associated with them which constitute the triumvirate of modern development."⁸

F. Cardozo and other "neodependentist" authors write about the switch from a policy of expansion of the domestic market (by way of agrarian and tax reforms outlined and implemented by some national-reformist, populist regimes) to an artificially stimulated market (where priority is given small groups of the population with high income imitating the North American life-style and consumption standards) and the production of industrial commodities for export.

Their works reveal the interconnection between the dependent nature of industrial development in Latin American countries and preservation of the archaic agrarian structure or a "modernization" thereof which guarantees a surplus of cheap manpower for the monopolies and leads to grim social consequences in the form of mass unemployment for the rural population. The "neodependentists" pay great attention to the general processes of marginalization in the social structure of Latin American countries, interpreting it as an inevitable consequence of the S&T revolution and seeing as a most important source thereof the use of non-labor-intensive industrial technology developed under the conditions of the developed capitalist countries.

The Argentine sociologist O. Varshavski critically analyzes the existing Latin American countries' "development styles," which he defines as "consumerist" and "authoritarian". The "consumerist" version is characterized, he believes, by imitation of the developed countries in consumption models, science, technology and art and the encouragement of foreign capital investment leading to a growth of dependency, unemployment and the exacerbation of social conflicts. The authoritarian style is distinguished by an "unstable balance between traditionalism and modernism," nationalist demagoguery, where large resources are expended on showy demonstrations of national power--mainly in the military sphere--rapid, albeit concealed, growth of dependency, technological lagging, stagnation in labor productivity and the flight of local private capital overseas.⁹

Attempts were made, as E. Torres Rivas observed, to portray the transfer of power from the agrarian oligarchy to a bloc of forces of latifundists, local banking bourgeoisie, technocrats and the multinational corporations as a process of the formation of "open national consent". But under current conditions the "dependent state" is forced increasingly often to resort to violence and go beyond the framework of legality.¹⁰ In his opinion, the "dependent state" mechanism subordinates to itself all strata of society--the military particularly--converting them into lackeys of the oligarchy and forcing them "to maintain internal order, even if it runs counter not only to democratic norms but also the principles of human community living themselves." The analysis of the picture of Central American statehood painted by E. Torres Rivas does not lack objectivity. It concentrates, as it were, the darkest aspects thereof. Political regimes like the ousted Somoza regime in Nicaragua correspond fully to the "dependent state" theory.

The "neodependentists" call Latin Americans' attention to the distortion of the plans for reforms in the sphere of education, the one-sided nature of the training of specialists dictated by the interests of the monopolies, the spread of intellectual conformism and suppression of the creative personality. They note the domination of foreign, primarily North American, advertising and propaganda, the foisting on Latin Americans of a lifestyle, tastes and habits which are alien to them and the destruction of national culture. The "new dependency" theorists expose the growth of militarism in Latin American countries and show its connection with the imperialist policy of the United States and the "cultural violence" typical of the imperialist society.

The "new dependency" theory emphasizes the instability and crisis nature of the pro-imperialist version of the Latin American countries' development and the inevitable polarization and radicalization of social forces. The works of the supporters of this theory undoubtedly do their bit toward exposing the new oligarchy which has taken shape from foreign and local monopolists, the upper stratum of the military and civilian bureaucracy and remnants of the old latifundist-comprador oligarchy under the general patronage of U.S. imperialism.

'National Bureaucracy' Theories

Whereas in the critical studies of the supporters of "new dependency" one senses their definite unity, significant differences in the positions of the leading theorists of this group are revealed upon discussion of the question of a possible way out of the existing crisis. Granted the large number of intermediate outlines and models, two main schools--left-reformist and left-radical--may be distinguished here.

The left-reformist wing, which is oriented toward the circles of civil servants hurt by the crisis, but which have preserved a certain stability of situation and which are connected with new spheres of activity (industry, transport, communications, reformed education and so forth), puts its hopes in the autonomous state-monopoly development of its countries. Some of them are insisting on the immediate nationalization of the key sectors of the

economy (primarily the property of foreign firms), others are advocating a gradual increase in elements of state planning and control. It is proposed emphatically limiting the exorbitant spending of the oligarchical upper stratum and improving the "climate of consumption" generally, protecting society against the corrupting influence of the commercial advertising of the monopolies. Various plans for a "national lifestyle" providing for a "struggle against possessionism" and the redirection of the masses' interests toward creative tasks: an improvement in education, scientific research, the development of culture and the schooling of the younger generation are being created.

In F. Cardozo's opinion, under current conditions all Latin American political parties and trade unions are becoming a part of the machinery of state, and new formations--"bureaucratic clans" unconnected with ideological tenets--are moving to the fore. While noting the bureaucratization of the bourgeois political systems F. Cardozo does not take into account the class forces and interests driving it and developing behind its facade. He believes that bureaucratization is of an insurmountable nature and suggests that this trend be used for national purposes. A bloc of nationalist-oriented bureaucratic clans with nationalized parties and trade unions can be the sole possible version of national mobilization at the current stage.¹¹

Counterposing the antistatist utopias of the ultraleft to the dictatorial aspirations of the ultraright, F. Cardozo insists on an averaged, compromise national-reformist version of development in a new bureaucratic edition. He rejects here the alternative of a genuinely revolutionary solution of Latin American problems proposed by the communist movement and its revolutionary-democratic allies in these countries, when actions of broad democratic (and not bureaucratized) political organizations of the working people and a fundamental restructuring of the machinery of state are moved to the fore.

Another "neodependentist" Argentinian, M. Kaplan, the author of the "national bureaucracy" theory, claims that the ruling classes and machinery of state are linked merely by openly repressive functions. When, however, the state takes the part of organizer of the economy, education and social security, it is autonomously also the arbiter in relations between classes.

Substituting for an analysis of the new alignment of class forces arguments about the "erosion of the classes," he disseminates conclusions drawn on the basis of observations of the crisis processes in the traditional-oligarchical and national-reformist parties and on organizations of the working people. M. Kaplan, like F. Cardozo also, denies the possibility of radical social transformations given the active participation of the democratic majority of the population. Enumerating the likely, in his opinion, political regimes in the immediate future of Latin American countries, he gives preference to "revolutionary socialized nationalism" as that most corresponding to the effective activity of a "national bureaucracy". Socialism in M. Kaplan's works is interpreted extremely narrowly and formally--merely according to the indications of the nationalization of property and centralization of control.¹² G. Bedregal Gutierrez, the ideologist of Bolivian "revolutionary nationalism," holds a similar position.¹³

A feature common to all representatives of the left-reformist wing is an attempt to depict the state in Latin American countries as a superclass and decisive force in the course of historical development. Some view it as a supermonopoly establishing global control over production and consumption and replacing the parties' traditional "political game" with intrabureaucratic functional relations. To others it appears in the role of superarbiter, whose power is based on a carefully maintained balance of forces between the monopolies ("concentrated production"), the unions ("concentrated labor") and consumer unions ("concentrated consumption"). It is this feature of underscored statehood in the plans of the future social arrangement which is perceived and declared to be by many supporters of the "new dependency" theory the characteristic sign of the social nature of their proposals.

There is no doubt that in a number of works of the left-reformist wing of the "neodependentists" there is a sincere sense of responsibility for national destiny and an endeavor to alleviate the position of the working masses. Some consciously provide for concessions to the masses' demands as payment for support for the political course of the bureaucrat-nationalists. But in both cases the plans of the "neodependentists" are manifestly utopian.

Sociology of 'Marginal Revolution'

The left-radical wing of the "neodependentists" proceeds in its plans for the future from the fact that Latin American societies have in historical development exhausted the possibilities of the capitalist formation and arrived at the inevitable choice between fascism as a descending, regressive trend in social development and immediate socialist transformations. As a counterweight to the reformist wing, the radicals see no potential in the economic, social and political plane in local capitalism. They deny the existence of feudal vestiges in the structure of Latin American society proceeding from its allegedly "mercantilist-capitalist" nature since the times of the conquistadors and thus remove from the agenda specific tasks of an antifeudal, bourgeois-democratic order in the coming socialist revolution.

In R. Mauro Marini's opinion, the capitalism of the developed countries and "peripheral capitalism" in Latin America have since the times of the colonial era constituted a uniform socioeconomic complex not allowing of any autonomy of the national economies and local social structures. Technological progress and the increased organic composition of capital in the metropolises are lowering the profit level. This loss is compensated by the world market mechanism redistributing surplus value in favor of the developed countries. In turn, the bourgeoisie of the developing countries is making good the losses of part of the profits by the "superexploitation" of the working people, which constitutes a basic feature of "peripheral capitalism". It is characterized by low wages, shortage of jobs, ignorance and police repression. Industrial development in present-day Latin America, R. Mauro Marini observes, is not removing the "superexploitation," although working people of the city, particularly the urban marginal strata, which in terms of consumption level are often inferior even to the plantation workers of the last century, are becoming its casualties now. He paints the future of capitalist

society in Latin America in the form of "total marginality and new slavery and the destruction of entire strata of the population, particularly by way of new sterilization techniques."¹⁴

While rightly protesting the unequal relations between the developed and developing countries within the framework of the world capitalist system and the disastrous situation of Latin American working people, R. Mauro Marini makes a number of theoretical mistakes distorting the picture of the past and contemporary Latin American society and leading to fallacious political conclusions. Take, for example, his assertion concerning the lowering of the profits of the monopoly bourgeoisie of the developed capitalist countries. The entire history of capitalism testifies to the growth thereof. Income from the exploitation of the developing countries constitutes an important, but not the sole source of these profits.

In addition, the partial capitalization of the external relations of Latin American economies in past centuries did not signify their capitalist character. It should also be noted that the initial phase of industrialization in Latin American countries was connected in the overwhelming majority of cases with local capital and its initiative. The expansion of the foreign monopolies began at a later stage and was accompanied by both compromise and cruel competitive struggle with the local entrepreneurs.

While paying tribute to the emotional charge of R. Mauro Marini's sociological images it should be said that his interpretation of the Latin American countries as societies consisting of reconciled and dying or rebelling marginals is far from actual reality.

T. Dos Santos endeavors to link his "dependency theory" with the theory of capitalist production cycles. He introduces the "sector of survival" concept, by which he means the subsistence peasant economy, which, he believes, stands outside of the historical types of production and represents a reserve for the surplus population of the underdeveloped countries at times of unfavorable business conditions and a crisis of the agrarian-raw material single-crop economy. With industrial development the Latin American countries are allegedly losing this sector inasmuch as the urban marginals have no ways of retreat.¹⁵

However, this idea, which attracts many Latin American theorists by the simplicity of explanation of ongoing events, proves, given an attentive approach, groundless. It glosses over the problem of vestiges of feudalism in the agrarian sector, taking self-sufficient small-scale farming beyond the framework of socioeconomic formations and portraying it as a kind of balancer of the national economy in crisis situations. And, what is most important, its disciples do not see that under urban conditions the "survival sector" could be recreated by the simplest social security measures.

Study of the works of the left-radicals--"neodependentists"--shows that their aim of immediate socialist transformations and accentuation of the allegedly unfailingly armed nature of revolution are sharply narrowing the social base

of an alliance of antifascists and not contributing to its strength. Exaggeration of the role of the processes of marginalization and the absolute impoverishment of certain strata of the population as the driving motor of revolution together with the preservation of an agrocentrist bias in the works of a number of authors (O. Fals Borda, R. Stavenhagen) also distort the real picture of the revolutionary forces.

The left-radical sociologists--"neodependentists"--lay claim to a new say in the theory of revolutionary internationalism. They transfer the impetus of the revolutionary processes on the periphery of the capitalist world beyond it--to the economic centers of the developed capitalist countries--and the implementation of revolutionary transformations on the periphery, they believe, leads virtually automatically to the collapse of the "parasitic center".

A most serious shortcoming of the theoretical constructions of left-radical "neodependentism" is that they lack definite contours of the future post-revolution social organization. Exaggeration of the external aspect of dependency is reflected in the fact that liberation from the oppression of imperialism and the transnational monopolies is conceived of by the left-radical theorists not as a prerequisite of the building of the new society but as an act of its creation. Inasmuch as the economic, social, political and spiritual structure of Latin American societies is portrayed as being imposed solely from outside by world capitalism, rupture with the world capitalist system will allegedly lead to the automatic removal of the deformations and the solution of the majority of problems.

The paradox is that together with the "total dependency" the left-radical theory also removes the entire actual structure of society. The abstract "revolutionary masses" and "revolutionary vanguards" concepts, on which a plan of the future society deduced not from historical realities but from ethical principles is erected, remain. This approach creates the danger that the talk of "alternative production mode" (superior to both the existing capitalist models and real socialism) and "new technology" ("Latin American," "revolutionary") could end in an attempt to solve the problem of employment by a return to archaic forms of production. Then "anticonsumerism" would prove to be not the masses' reorientation toward a qualitatively different lifestyle but a policy of cutting consumption concealed by ultraleftist ascetic slogans.

While criticizing the apologist, pro-imperialist "interdependence theories" of the right-reformist, radical-right authors the "neodependentists" fail to notice many actual features of the international division of labor and cooperation within the framework of the world capitalist system and inadequately depict the difficulties of emergence from it. Nor do they recognize the significance of the economic effect of the policy of peaceful coexistence between the capitalist and socialist countries for the building of the new society. And, what is most important in this question, they fail to take into consideration the fundamentally new nature of relations between states of the socialist community and the Asian, African and Latin American

countries fighting for national and social liberation and do not appreciate the tremendous possibilities of this type of international relations in the process of transition to socialism.

In the Search for a Platform of the 'New Center'

In the first half of the 1980's the philosophical-sociological "new dependency" concepts and the theories of "natural socialisms" formed on the basis thereof have been experiencing a crisis and undergoing diverse modifications of the theoretical tenets. The decline in the prestige of the original "dependency sociology" models was largely connected with the difficulties and setbacks of left-reformist and right-opportunist regimes and movements which relied on the theoretical developments of the "neodependentists" (the "Peruvian socialism" of the anti-imperialist military regime, "Justicialist socialism" in the years of the second Peron government in Argentina, the "Venezuelan socialism" of T. Petkoff and his supporters and others). The reorientation of the "neodependentists" is occurring against a background of complex processes affecting the general ideological-theoretical situation in the region.

In recent years the ruling classes of Latin American countries together with their foreign partners have been seeking a way out of the impasse created by the policy of radical-right regimes and fraught with a revolutionary explosion. In order to avoid a direct juxtaposition of the rightwing dictatorships to blocs of revolutionary forces, where communists occupy a prominent place, the ruling groupings have been endeavoring to create a "new center"--a "third force" of a Christian democratic and social democratic model. The efforts of North American "public" diplomacy, European social democrats and Christian democrats, local national-reformist parties, which have revitalized their activity, and also liberal groupings within the radical-right regimes themselves commingle here. Not the least role here is being performed by right-opportunist, revisionist groups within the worker and communist movement.

The political and propaganda maneuvers of the supporters of the "new center" are reflected in theory.¹⁶ Many works have appeared claiming to replace the traditional dichotomous outlines of bourgeois "development sociology" ("backwardness--development") and "dependency sociology" ("dependence--independence") as allegedly one-sidedly oriented toward problems of external conditions by "national democracy" theories, where the "dictatorship--democracy" juxtaposition is moved to the fore.¹⁷ The "national democracy" theorists headed by C. Mendes (Brazil) and P. Casanova (Mexico) refer to the fact that the countries of this region have reached a certain level of economic development and foreign policy autonomy and that it is time to become involved in domestic questions. They make the cornerstone the "political quality of life" problem, which is resolved by the majority of them in the form of diverse plans for the restoration of bourgeois representative democracy.

While criticizing "national democracy" theory as an integral part of the "new center" conceptual equipment Latin American Marxist sociologists note that a certain base for its spread does exist inasmuch as Latin Americans living under conditions of terrorist dictatorships are acutely confronted with questions of the restoration of elementary democratic standards.

Significant differences may be noted in the ranks of the "national democracy" supporters. Grouped on the right flank are those who support the North American "human rights" doctrine. The nucleus of "new center" theorists is composed of adherents to the "humane socialism" ideas, which are closely linked with the program developments of European social democracy. Concentrated on the left flank of the "new center" is a group of "neodependentist" authors (T. Dos Santos, R. Mauro Marini, O. Fals Borda and others) speaking of the need for movement beyond the confines of formal democracy and a combination of rights to opposition and criticism with real economic and social rights guaranteed by the social system. Some of them criticize the "human rights" doctrine, pointing to its dangerous interventionist underlying meaning and the sorry experience of its use to justify U.S. aggression in South and Central America.¹⁸

While not breaking with the traditions of "development sociology" and "dependency sociology" another group of "new center" theorists is endeavoring to synthesize them and raise them to a new level. They are characterized by a switch of attention from various aspects of industrial development to problems of the creation of "national scientific potential".¹⁹

A multitude of nuances may be observed in the group. These include plans for a way out of the condition of "technological dependence" by means of Latin American countries' association with the centers of scientific studies of the developed capitalist countries (in the Alliance for Progress spirit) and no less utopian plans for a "raw material leap forward" (a sharp increase in the price of raw material, which will allegedly help overcome all difficulties in the financing of national science). The ideas that S&T progress could bring benefits in the solution of problems on condition that it be combined with a profound rebuilding of local social and political structures and rely on the support of international forces of democracy and socialism may be termed more realistic. Interest in the experience of S&T transformations in the USSR and other socialist countries has grown among the "neodependentist" progressive sociologists.²⁰

Paramount significance for the fate of Latin American countries, as of the whole world, is attached to a relaxation of international tension. The retreat of militarism would afford new opportunities for far-reaching positive socioeconomic and political changes in the countries of South America and the Caribbean. Limitation of the arms race could provide the international community with resources for assisting the poorest countries of these regions.

Reactionary theorists in Latin America are today attempting to portray detente either as an agreement between the "superpowers" on maintaining the status quo in the developing countries or as a screen concealing "red imperialism". Quite prevalent also are reformist illusions in accordance with which the problems of the developing states could be solved automatically on the basis of money economized in arms spending, without a break with the archaic sociopolitical structures which exist there and a change in the nature of these countries' relations with the imperialist centers.

The statements of many "neodependentists" on international problems have in recent years been marked by anti-Reagan sentiments.²¹ It should be noted that the conflict on the Malvinas, which influenced the views of many Argentine, Brazilian, Uruguayan and other supporters of the "new dependency" theory in South America, brought about a debate on questions of the proliferation of nuclear weapons. A number of petty bourgeois theorists of a leftist persuasion (objectively joining forces with the ideologists of chauvinist reactions) attempted to take advantage of the wave of anti-imperialist sentiments in their countries for criticism of the Marxist-Leninist theory of detente and international relations on the pretext that, in the event of a conflict between the nuclear powers and Third World countries, such states as Argentina and Brazil should have their own nuclear weapons.²²

Exposing the theoretical and propaganda constructions of the ideologists of imperialism (and its accomplices in the shape of the reformists and revisionists) and at the same time conducting a patient dialogue with progressive representatives of petty bourgeois "dependency sociology," Latin American Marxist scholars are showing that the struggle of the democratic forces of the continent and the whole world for social progress and overcoming the backwardness and dependence of dozens of countries and peoples on the imperialist powers is inseparably connected with the struggle for lasting peace, disarmament and the relaxation of tension.

FOOTNOTES

1. See A. Glinkin, P. Yakovlev, "Latin American in Imperialism's Global Strategy" (MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 10, 1982); A. Atroshenko, "Reagan's 'Discovery' of Latin America" (MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 2, 1983); I. Bulychev, "The 'Contadora Group' and the Search for Ways Toward Peace in Central America" (MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 2, 1984).
2. As V. Volskiy, V. Davydov and other participants in the debate on the subject "Latin America: Contradictions of the New Stage" observed, evaluating the results of Latin American countries' development and their place on the socioeconomic map of the world could reveal many signs indicating the completion in the region of a definite historical stage and the start of a new one. The last two cyclical crises of the mid-1970's and the start of the 1980's denote the dividing line (MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 5, 1985, pp 102-103).

3. In the mid-1960's the "integral-elite" school united such prominent bourgeois theorists as F. Fernandez, F. Cardozo, G. Soares, L. Costa Pinto, O. Ianni and M. Diegues (Brazil), A. Solari (Uruguay), G. Briones, L. Ratinoff (Chile), A. Obregon (Peru), G. Germani, T. di Tella and J. de Imaz (Argentina), V. Alba (Mexico) and O. Fals Borda (Colombia). Subsequently a number of participants in the "integral-elite" school (F. Cardozo, O. Fals Borda) broke with it and switched to left and even ultra-leftist positions.
4. For criticism of the "integral-elite" school see MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 8, 1974, pp 99-113.
5. The group, which was united by the research program of the Hudson Institute (United States) under the motto "Latin America 2000," included G. Karlik (United States), R. Panero (Mexico), R. Campos and M. Simonsen (Brazil) and others.
6. It is significant that the name "independentist-traditionalist" was attached to this group of authors in Latin American literature. They elaborated a number of interconnected concepts: "domestic colonialism" (R. Stavenhagen, Mexico), "change through violence" (C. Torres, Colombia). Somewhat later they were joined by O. Fals Borda (Colombia), author of the "historical overthrow" theory. Big influence among the "independentist-traditionalists" and their mass audience was enjoyed by the theories of "structural dependency" (A. Gunder Frank, United States) and "revolution within the revolution" (folkism) of the French sociologist R. Debray, the creators of which were living and working in Latin America at that time.
7. In 1982 F. Cardozo was elected president of the International Sociology Association.
8. "Problemas del subdesarrollo latinoamericano," Mexico City, 1975, p 113.
9. See "La dependencia de Venezuela," vol II, Caracas, 1975, pp 213-215.
10. See "La inversion extranjera en Centroamerica," San Jose, 1974, p 281.
11. See "Problemas del subdesarrollo latinoamericano," Mexico City, 1975, p 113.
12. See M. Kaplan, "El estado en el desarrollo y la integracion de la America Latina," Caracas, 1972.
13. G. Bedregal Gutierrez, "Plan estrategico del nacionalismo revolucionario," La Paz, 1985, pp 39-45.
14. R. Mauro Marini, "Subdesarrollo y revolucion," Mexico City, 1976, pp 8-10.

15. See T. Dos Santos, "Cultura y dependencia en America Latina: algunos apuntes metodolo metodologicos e historicos," Paris, 1981, pp 9-12.
16. Similar processes have been unfolding in recent years in a number of Asian and African countries (see B. Starostin, "Formation of Sociological Thought in the Developing Countries," MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA No 4, 1985).
17. It should be considered also that there indeed is a certain absolutization of the problems of external relations in the history of bourgeois thought of Latin American countries. That "the endeavor to rid oneself of this hypertrophy should lead not to an abandonment of the real problems of backwardness and dependency but to a more profound comprehension of the dialectics of the external and internal contradictions of Latin American societies" is another matter (see P. Casanova, "La hegemonia del Pueblo," Mexico City, 1983).
18. See T. Dos Santos, "Situacion actual y fuerzas armadas en Brasil," Sao Paulo, 1982.
19. J. Leite Lopes (Brazil), A. Oscar Herrera (Argentina), V. Urguidi (Mexico) and M. Roche (Venezuela) are distinguished among the theorists of this school.
20. See J. Leite Lopes, "Reflexiones sobre la ciencia y la conformacion de la sociedad," Paris, 1981, pp 15-18; G. Bedregal Gutierrez, "La contradiccion Norte-Sur y el Nuevo Orden economico internacional," La Paz, 1985, pp 43-48.
21. See L. Bermudez, A. Cavalla, R. Cordova, "La Politica de Reagan para America Latina despues de la crisis de las Malvinas," Buenos Aires, 1982; I. Galan Banos, D. Lukas Bashlin, "La Coaccion que detiene: la lucha Antinuclear," Mexico City, 1982.
22. See M. Espejo, "La tentacion nuclear," Buenos Aires, 1983.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
 "Mirovaya ekonomika i mezhdunarodnyye
 otnosheniya", 1986.

8850

CSO: 1816/12

REAGAN ECONOMIC POLICIES SEEN HARMING WEST EUROPE

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 131-136

[Article by I. Ponomareva and N. Smirnova: "United States--West Europe: Difference of Economic Interests"]

[Text] Together with the expansion of cooperation and interaction contradictions are growing at the current stage of the mutual relations of the leading centers of interimperialist rivalry--the United States, West Europe and Japan. "Competitive struggle between them for sales markets, spheres of capital investment and sources of raw material and for superiority in the decisive spheres of S&T progress is being stepped up," the CPSU Program says. "...Contradictions between bourgeois states are intensifying." The ineradicable nature of the "difference of economic interests," about which V.I. Lenin wrote,* is being confirmed time and again.

To a large extent the current situation is connected with the fact that more aggressive, expansionist groupings of the ruling class have been in office since the start of the 1980's in the United States. Having adopted a policy of the creation of a "strong American economy" and reinforcement of the shaken positions in the world capitalist economy, the United States made a new attack on its West European competitors.

The United States is relying on a number of continued economic advantages or ones which have been acquired in recent years, particularly a uniform and capacious domestic market not divided by national barriers and constituting more than one-fourth of the world capitalist market; leadership in many spheres of S&T progress, which still secures for the United States the possibility of putting pressure on its rivals; and the position of the dollar as the main reserve currency and means of payment in the world capitalist economy, which enables the United States to impose on many countries of the capitalist world currency-credit relations which suit it to this extent or the other.

* See V.I. Lenin, "Complete Works," vol 42, p 94.

Under these conditions the hardline economic policy of the R. Reagan administration, primarily in the currency-finance and trading spheres, is causing America's competitors considerable harm. Thus in recent years a powerful means of undermining West European countries' economy has been the sharp rise and continued high level of bank credit interest and discount rates. This has increased considerably the outflow from West Europe of loan and also productive capital, which in the crisis situation has exacerbated sharply for the EEC countries the problems of investment, modernization of production and surmounting recession. According to foreign expert estimates, in 1983 alone the West European economy was deprived of more than \$150 billion, which were transferred to the United States, facilitating its solution of its own economic problems--financing the arms race and the capital investments necessary for "re-industrialization".

West Europe emerged later and with greater losses than the United States from the cyclical crisis which encompassed the capitalist world at the start of the 1980's. As a result the rate of growth of GNP in 1983 and 1984 constituted 3.3 and 6.5 percent, while the corresponding indicators for the EEC were the equivalent of 1 and 1.5 percent. Stagnation in the economy, slack investment activity, a huge army of unemployed--such are merely some features characterizing the situation in the EEC countries in the first half of the 1980's.

Manipulation of currency exchange rates, particularly the sharp increase in the purchasing power of the dollar in the 1980's following the decline in the 1970's, is another channel of pressure on the economy of West Europe. It caused large-scale spending by the central banks of the EEC countries to maintain the exchange rates of their national currency units. Periodic flareups of the currency crisis and repeated changes in the correlation of parities are causing difficulties for the functioning of the European Currency System created by the Community (of the EEC countries, Britain and Greece are not participating as yet), undermining the principles of the activity of certain main institutions of the Common Market (the Common Agricultural Policy, for example) and complicating the already acute EEC budget problem.

Using levers of currency and financial policy, the Reagan administration is interfering in the West European countries' internal affairs, imposing on them its concept of economic policy envisaging a limitation of the role of the state in the solution of socioeconomic problems, greater freedom of maneuver for the monopolies and the increased exploitation of the working people. A U.S. State Department memorandum speaks plainly, according to THE WASHINGTON POST, of the need for a cardinal change in domestic economic conditions in West European countries.

Profoundly negative pressure, and in a number of areas, moreover, is being exerted on West Europe's economic development by the militarist strategy of the United States. The militarization which has been noted throughout the postwar years has been stepped up sharply in the 1980's. The new round of Washington's arms race--the deployment of new American first-strike missiles

in a number of West European countries--is not only exacerbating the military-political situation in the region but forcing the states of the Old World to switch appreciable resources to the military sphere. The participation of a number of the United States' West European partners in work along SDI lines not only will not afford them the promised benefits but is fraught with serious economic consequences.

A goal of Washington's policy in West Europe is speeding up the militarization of the U.S. allies' national economies to weaken their economic and S&T positions. The CPSU Program observes: "The imperial ambitions and selfish policy of the United States' monopolies and its readiness... to sacrifice the interests and security of other states, even those allied to it, are giving rise to growing anger and unease in the world."

West Europe's progressive public is opposed to the militarist policy of the United States and NATO and Washington's "stars escapade," which is creating a new mortal danger not only for the European but for all peoples of the world. The DGB--the biggest organization of the FRG's working people--issued an official statement condemning the SDI. A large group of West German scientists and physicists sent Chancellor H. Kohl a letter in which they refused to take part in this program. Opposition to the "star wars" plans is growing in a number of European social democratic and bourgeois parties also. The governments of Denmark, Holland, Greece, Norway and France and also Australia and Canada have declined to participate in the SDI.

The governments of EEC countries, Austria, Norway, Turkey, Finland, Switzerland and Sweden supported France's proposal here concerning the S&T cooperation of the West European states in a number of the latest fields (aerospace industry, electronics, biotechnology, automation). This wide-ranging measure, called in the West the EUREKA Project, is objectively aimed at the creation of a counterweight to the American plan and at thwarting U.S. attempts to establish its superiority in the science and technology of the future. Former French Premier E. Barre believes that the EUREKA Project affords opportunities for West Europe's self-assertion and protection against its conversion into a third-rate force. At a meeting in July 1985 representatives of the participating countries approved, in the main, the French draft and the guidelines of the proposed research. Many major West European companies have put forward specific proposals concerning S&T and production cooperation with related firms of other countries.

At the same time Britain, Italy and the FRG have made their participation in the EUREKA Project conditional upon the right to simultaneous participation in the SDI program, hoping that it will afford them access to American technology and an opportunity to win major orders. The words of former FRG Chancellor H. Schmidt may be quoted in this connection: "Any U.S. Administration in the 1990's and afterward will conceal its technological cards and will not let them pass into Europeans' hands from good will." And the Japanese newspaper SANKEI SHIMBUN wrote that the United States "will suck from them (that is, the countries intending to participate in the SDI--I.P. N.S.) all the technology, but will not give up its own for anything." Thus the profound

contradictory nature of the development of capitalism and the constant action of two opposite, but intertwined trends in interimperialist relations are revealed for the umpteenth time.

International Trade

The rivalry between the United States and the EEC is manifested particularly graphically and acutely in the sphere of international trade. This is explained to a considerable extent by the trend toward the speedier development of West European commodity exports compared with the America's. As a result total exports of the Community countries to the United States practically amounted to the value of American sales in the EEC in 1984 for the first time since the war. Yet in the 1970's even EEC exports covered only 75 percent approximately of U.S. exports to the Community zone. These changes are connected primarily with the increased competitiveness of West European products.*

At the same time the change in the United States' foreign trade positions is far from identical in different commodity groups. The American monopolies continue to preserve the leading positions in exports of the majority of types of high-tech products. West European companies are perhaps most vulnerable in the sphere of the trade in modern information technology. A special report of the European Communities Commission (the executive and coordinating body of the EEC) confirms that West European firms were catering at the start of the 1980's for only 10 percent of the world capitalist market's demand for information technology and 40 percent of all intraregional requirements, although the EEC accounts as a whole for one-third of world trade in these products. There is a similar situation in the sphere of electronics also. The giant IBM alone accounted for 56 percent of total general computer sales in the Old World in 1984.

A different correlation has been taking shape in recent years on the markets of a number of traditional products. For example, the United States represents an important export market for West European metallurgy, which is experiencing a protracted crisis. But a bitter competitive struggle is going on here. The EEC was forced in 1982 under the threat of being ousted from this market completely (the U.S. Government was threatening to impose incredibly high--up to 40 percent of the price--adjustment tariffs and apply anti-dumping measures) to consent to a "voluntary" reduction in rolled steel exports. The issue was settled, seemingly. But in the summer of 1983 the U.S. Administration struck another blow at the ferrous metallurgy of EEC countries, particularly the FRG, France and Great Britain, imposing strict quantitative restrictions on special steel imports. These protectionist measures led to a sharp cutback in imports of steel products from the EEC countries (by 26 percent in 1983) and, combined with the steel war within the Common Market itself, to a further winding down of sectoral production, the

* Here and subsequently the EEC data covers 10 members.

closure of a number of large mills and the dismissal of tens of thousands of workers.

The Community demanded that Washington compensate the losses. At the start of 1984, following fruitless negotiations, it adopted retaliatory measures, restricting for 4 years transatlantic imports of certain chemicals and sports goods. The next exacerbation followed in November 1984, when the United States imposed a ban on imports of steel pipes from EEC countries up to the end of the year and for 1985 unilaterally established a strict import quota. The EEC immediately canceled the agreement on the "self-limitation" of exports of metal products imposed on it in 1982.

Trade in farm products remains an acute sphere of contradictions. The sales of West European countries subsidized by the national governments are posing an increasingly serious threat to the United States' agrarian positions. Its share of world capitalist exports of a number of most important food crops had declined by 1984 compared with the start of the 1980's even. Thus, in respect of forage grain it constituted, according to rough estimates, 58 percent compared with 72 percent in 1982, wheat 37 and 43 percent respectively, rice 15 and 23 percent and cotton 28 and 41 percent.

The orientation of a very large proportion (approximately two-thirds in respect of wheat, for example) of the United States' agrarian production toward exports, the endeavor to preserve and expand sales markets at any price and a number of other factors are increasing the aggressiveness of American foreign trade policy. At the start of the 1980's the R. Reagan administration began a new round of the struggle against the EEC's Common Agricultural Policy, with which it is extending international expansion and erecting barriers in the way of a foreign invasion. In March 1982 the U.S. President announced his intentions of opposing "the constant use on the part of the EEC of subsidies for the exports of certain agricultural commodities," thanks to which the Community is obtaining an unjustifiably high, from the United States' viewpoint, share of the capture of the world market.

Fearing to take the path solely of unilateral actions, which, owing to the retaliatory reaction of the West European countries, could provoke another round of the trade war, at the start of the 1980's the United States concentrated efforts on the activity of such an international organization as the GATT in order to introduce a number of changes to the system of international capitalist trade facilitating the trade-economic activity of the American monopolies.

American economic diplomacy placed special hopes in the 38th GATT Session, which was held in 1982 at ministerial level and was to have formulated strategy for the 1980's. Washington arrived at this forum with a long list of proposals extending the GATT's powers beyond trade in commodities, namely, to transport, insurance, banking, construction and investment policy; it was also proposed establishing some special rules, primarily beneficial to the United States, of trade in "high technology" products. The United States' importunings were spurned by the majority of participants. Even the American press saw the results of the session as "more than limited".

The next, 39th, GATT session in November 1983 examined a number of specific problems of import limitations and the system of stimulating exports by way of taxes. The switch to these questions did not lessen the seriousness of the contradictions between the United States and West Europe. A clash occurred, in particular, over the question of American restrictions on special steel imports. The American delegate defended their legitimacy, citing the fact that the Common Market periodically practices similar measures. Stormy debate was also caused by tax legislation stimulating U.S. exports. The contradictions made any agreements on these issues impossible.

The meeting of the foreign trade ministers of 21 GATT members in June 1985 in Stockholm is also indicative of this plane. The United States again insisted on the removal of any obstacles to its commodity exports. Criticism of American foreign trade policy was heard once again, however, from the West European countries. E. Cresson, minister of industrial redeployment and foreign trade of France, demanded here the convening of an international conference on currency problems to put an end to the virtual diktat of the dollar in the capitalist currency-finance system. Of course, this demand was turned down by the American side.

However, the formulation of a number of problems in itself graphically demonstrates the West European countries' growing dissatisfaction with the policy of the White House, which is harming even its closest partners.

Currency-Finance Contradictions

The imperialist competitor-partners' attempts to find mutually acceptable solutions of urgent economic problems at meetings of the leaders of the seven leading capitalist powers which have been held annually since 1975 have also been ineffective. In particular, currency-finance issues were transferred hither after the attempts to coordinate positions within the framework of the OECD and along IMF lines had proved fruitless. But there has been no change in the situation.

Thus the question of the high interest rates in the United States and the increase in the dollar's exchange rate, which was contributing to a large extent to the deterioration in the balances of payments and accelerated inflation in the West European countries, had become most acute by the time of the Ottawa meeting in 1981. Under these conditions their demands that Washington's policy, which was having such a devastating impact on the world capitalist currency-finance system, consider the interests of other countries was natural. But the United States continued to defend its policy.

A particular place was occupied by the discussion of currency-finance issues at the Versailles meeting of the "seven" in 1982. An "international currency-finance commitment" even was adopted here. But, like other such documents of the Western states, was distinguished by vagueness and an absence of specific wording. A year later, at the meeting in Williamsburg, the question of the need for the coordinated intervention of the governments of the seven countries in questions of the functioning of the system of currency payments was

raised once again at France's insistence. However, it was not possible to regulate the movement of the dollar's exchange rate.

The declaration of the following, London, conference in 1984 also contained merely a completely nonbinding clause concerning the participants' intention to continue and, if necessary, intensify the policy of bringing down interest rates. Not a month had elapsed before the United States implemented another rise in the interest rate, which was followed by a sharp new upward leap of the dollar's exchange rate and a new outpouring of West European capital to the United States. A similar fate befell the attempts to solve a number of other questions of the currency and trade spheres of the world capitalist economy.

Back at the OECD session in 1983 French President F. Mitterrand presented a proposal for the creation of a top-level Bretton Woods-type conference for a revision of the international capitalist currency-finance mechanism and the creation of a new currency standard based on the West's three leading monetary units--the U.S. dollar, the Japanese yen and the European unit of payment (ECU). This system was, as intended, to have ensured the relative stability of the currency-finance system and precluded the possibility of the financing of the American economy at the expense and to the detriment of the West European countries. Paris' proposal was supported by Italy, the chairman of the EC. But the final document of the Williamsburg meeting, which followed the OECD session, incorporated under pressure from the U.S. representative merely the general phrase to the effect that the question of convening such a conference would be studied "in due course". It was similarly blocked at the London meeting: its final communique contains only a request that the finance ministers of the "seven" continue their previous work to determine methods which could improve the operation of the international currency system.

At the same time it should be noted that in London the West European countries thwarted Washington's attempts to have adopted a decision on measures in the sphere of a liberalization of international trade, which would have been profitable primarily to the United States, which is concerned to lower other countries' trade barriers. As far as a new round of negotiations along GATT lines is concerned, the American initiative was essentially spurned at the London meeting of the "seven," as at the subsequent meeting in Bonn (1985). The main attention was concentrated on the United States' huge chronic federal budget deficit. As the West European countries and Japan reasonably observed, it is the main reason for the continued high interest rates in the United States, which are stimulating a rise in the already overstated dollar exchange rate. Under pressure from the participants in the negotiations, President Reagan had to consent to the communique emphasizing the significance of a policy of bringing down the U.S. budget deficit. Yet at the London meeting even then U.S. Treasury Secretary D. Regan "emphatically" declared that this deficit was totally unrelated to the high interest rates. As far as currency problems were concerned, no progress was made at the Bonn meeting.

Currency problems were also a subject of discussion at the meeting of the "seven" held this year in Tokyo. However, here also, despite the sides' evident efforts, only a shaky compromise was achieved. The American NEW YORK TIMES wrote: "...At least the seeds which will change the world economy were sown at the summit, possibly. But... the leaders sowed one seed of harmony and another of discord. The first was the currency exchange rate, the second, trade...."

The sphere of international payments, as the arena where different countries' economic interests meet directly and, perhaps, in most naked form, is under capitalist conditions a sphere of the most acute contradictions.

In the Struggle for Markets of the Developing Countries

Interimperialist rivalry over spheres of influence in the emergent countries has acquired new features in recent years.

On the one hand the strategic goals of the United States and other imperialist powers in respect of the developing world, particularly under the conditions of imperialism's general confrontation with the socialist community, concur--keeping the developing countries in the system of the world capitalist economy, striving for their one-sided political-ideological orientation toward the West, preserving them as spheres of influence and capital investment, sales markets and sources of raw material and preventing as far as possible their equal, mutually profitable cooperation with the socialist states. On the other, there are definite differences in the tactical and specific approach of the American and West European imperialist centers (not to mention the Japanese) to the developing countries.

At the start of the 1980's the United States availed itself of the weakening of the economic positions of the emergent countries, which were suffering considerably from the world economic crisis, to switch to an offensive against their gains of the 1970's. Strong economic pressure, in particular, was exerted at the meeting in Cancun (Mexico) in 1981 within the framework of the North-South dialogue with the participation of 8 developed capitalist and 14 emergent countries. President Reagan "counseled" the emergent countries to pay particular attention to the development of the private sector of their economy and create no obstacles here to the activity of the affiliates of the TNC, that is, primarily the monopolies of the United States itself. In 1981-1982 Washington's "raw material diplomacy" exerted much effort to thwart the conclusion of a number of new international raw material agreements. Yet they had been recognized at UNCTAD sessions as an important component of the integrated program pertaining to raw material commodities adopted by this international organization.

Recently the United States has cut back its contributions to the International Development Association (a branch of the World Bank), the official purpose of which is promoting the development of the economy of Asian, African and Latin American countries by way of the granting of loans on terms which are more favorable than commercial loans. In order to secure a further

growth of the profits of the American financial oligarchy the Reagan administration is insistently proposing that the emergent countries borrow not from international organizations but from private banks. Yet in 1983, for example, approximately one-half of the young states' colossal foreign debt, which is now posing a serious threat to the plans for a solution of the already very difficult problems of ending the age-old economic backwardness, accrued to private financial institutions of the Western states, mainly the United States. New loans from private banks are increasing the emergent countries' dependence on American and world imperialism. Washington is endeavoring here to avert any collective actions by these states which could alleviate their debt burden and to conduct financial dealings with each country individually.

The Common Market countries adhere to a somewhat different policy. This is caused primarily by the fact that they are now more dependent than the United States on imports of energy, many most important types of mineral and agricultural raw material and also certain foodstuffs. At the end of the 1970's the emergent countries catered for 51 percent of the EEC's total need for imports of food, 27 percent of agricultural raw material, 79 percent of fuel, 38 percent of mineral raw material and 35 percent of nonferrous metals. The Community finds in the young states, on the other hand, a big sales market for its products. As C. Cheysson, who as a member of the EC was involved in relations with them, observed, "the markets of the developing countries are three times more important for Europe (West--I.P., N.S.) than the U.S. market." Under these conditions the EEC has opted for a more flexible foreign economic policy. It is geared to the preservation and expansion of positions in the developing world and attempts to ease the contradictions with the young states by way of assigning them the role of junior partners in the system of world-economic relations of capitalism and certain, albeit negligible, concessions in economic cooperation.

A particular place in the hierarchy of the Common Market's relations with the emergent states is occupied by a large group of African, Caribbean and Pacific countries (the ACP countries). Taking advantage of their economic dependence on the former metropolises and one-sided orientation of the national economies toward external markets, the participants in the West European grouping continue to keep them in their orbit by means of granting broader trade preferences and also financial "assistance".

In recent years, with their frequent changes in currency exchange rates in the capitalist world, the EEC has been particularly active in taking advantage of the ACP countries' aspiration to stabilize the heavily fluctuating revenues from exports of agricultural commodities and mineral raw material--the main items of their trade with West Europe. For this purpose the Stabex and Sysmin systems were created within the framework of the Lome conventions formalizing the mutual relations of these two groups of countries (the last convention was signed at the end of 1984). Stabex is designed to compensate the ACP countries to some extent for losses in the event of reduced revenues from commodity supplies to the Community markets, extends to several dozen raw material commodities and semimanufactures and also provides for the

granting to them of mainly interest-free loans, only the group of least developed countries obtaining gratis subsidies. The effect of the Sysmin, on the other hand, is formally geared to maintaining a certain level of the production and export of mineral raw materials from the ACP countries to the EEC area.

Although all these measures are being presented in the West as an important concession to the emergent states, they essentially serve the ancient task of subordinating their economic and social development to the requirements of the participants in the EEC and preserving them in the position of agrarian-raw material appendage of the former metropolises. The EEC is pursuing a policy which is similar in principle in respect of certain groups of young states (the Mediterranean group). West European imperialism is taking advantage here of these countries' unhappiness with the hard line of the United States to expand and strengthen its own influence. The EEC is displaying a readiness to consent to certain reforms and creating the appearance of a preferential approach to the emergent countries. But in granting trade and other concessions and concluding separate deals it is in fact introducing a split in the ranks of these states and thereby weakening their unity in the struggle for a restructuring of international economic relations on a democratic, just basis.

Despite all American imperialism's attempts to restore and strengthen the unity of the Western world under its aegis, the struggle for markets, sources of raw material and energy and spheres of capital investment continues and will continue relentlessly. The 1980's have been marked here by the United States' switch to a counteroffensive against the positions of its West European rivals in certain fields, which is causing the EEC countries considerable harm. The United States' advantages compared with its competitors in the technology and currency-finance spheres together with the military sphere are being actively used by Washington as the basic means of securing the United States' global hegemonist aspirations. The possibilities of American pressure being counteracted on the part of the West European countries have proven considerably limited, particularly owing to the exacerbation of contradictions among themselves, which have in practice for several years been blocking the further development of economic integration in West Europe.

The stabilization of the general correlation of forces in the West and even the certain strengthening of the positions of the United States in the capitalist system are of a temporary nature, as a whole. New changes in the correlation of forces between the centers of imperialism will inevitably engender both an exacerbation of the contradictions and new conflicts.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya", 1986.

8850
CSO: 1816/12

BOOK ON EEC POLITICAL INTEGRATION REVIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) pp 137-138

[M. Maksimova review: "The European Community--Reality of Our Time"]

[Text] For more than 3 decades now problems of West European integration have been attracting the attention of Soviet social science. The interest in them is perfectly natural. It is a question of an important phenomenon of international life exerting considerable influence on the alignment of economic and political forces in the system of imperialism and the relations of states in Europe and in the world as a whole.

The Soviet book market has probably dozens of monographical studies devoted to capitalist integration. Together they provide a sufficiently integral idea of its socioeconomic nature, sources, essence and consequences. The publication of the monograph in question* is one further notable step forward in Marxist-Leninist cognition of this complex and multifaceted process. On this occasion an attempt--and highly fruitful--has been made to study the political aspects of capitalist integration and their reflection in the institutional structure of the European Community and its activity and in the actual policy of the leading West European states.

The publication of such a work is the height of timeliness. We have in recent years witnessed the increased endeavors of West European countries' ruling circles to consolidate their forces not only in the field of economic relations but in the sphere of foreign and military policy also. As distinct from the past, when such efforts were a flop, they are now increasingly being actually embodied in this way or the other in joint political actions of the countries of the Community testifying to a growing trend toward political integration. It is today no longer its "six" original members but 12 West European states with 80 percent of the population and 86 percent of the aggregate economic potential of the region. The significance of the said

* "Zapadnoyevropeyskaya integratsiya: politicheskiye aspekty" [West European Integration: Political Aspects], Exec. ed. N.S. Kishilov, Moscow, "Nauka", 1985, pp 385.

processes is increasing particularly under the conditions of the current explosive international situation, when as is known, the destiny not only of the peoples of Europe but of all mankind is being decided. And the state of international relations on the European continent, and beyond also, will depend to a considerable extent on what position this influential grouping of states adopts on the central problem of our time--that of war and peace.

Understandable, therefore, is the responsibility born by the group of authors, who set themselves the goals not only of studying and explaining the reasons for political integration in West Europe but also making a scrupulous Marxist-Leninist appraisal of them. It may be said with confidence that the group coped with the set assignment as a whole.

It was successful to a considerable extent thanks to the predilection for theoretical analysis displayed the authors. The book is distinguished by the wholeness of the conceptual approach. The political problems of regional integration are examined as the dialectical unity of its three functional aspects: economic policy, social policy and foreign policy. This method has made it possible to show the integration processes in all the diversity of intrinsic connections and contradictions and in the struggle of the centripetal with the centrifugal trend.

An undoubted service of the authors is the in-depth analysis of the general causes and specific factors at the basis of West European political integration. Its economic, class and international-political prerequisites which largely determined the goals, directions and forms of development of this process are shown on the basis of a wealth of factual material.

The structure and problems of the functioning of the political mechanism of the European Community are analyzed in detail and on a sufficiently high scientific level. The main trends and contradictions in the sphere of the integration of the economic, social, foreign economic and foreign policy of the participants are disclosed consistently. The chapter on military-political aspects, which have yet to be reflected in depth in Soviet research, is of particular interest in this respect.

The authors also pay great attention to such a lightly illustrated question in our literature as that of the development of supranational parliamentary forms of control of the activity of the European Communities' executive bodies. The study of inter-nation party formations and their role in the shaping of the policy of the European Parliament and other Community institutions is of interest in this connection.

Among the work's merits we should put the combination of a general approach with a specific analysis of the positions of the main participants in the West European grouping--France, the FRG, Great Britain and other countries--on the most important problems of political integration, including the methods, instruments and ways of realizing it and development prospects. The analysis is by no means confined to the region here. The interconnection of West European integration processes and the activity of NATO is studied and the deep-lying factors at the basis of the class solidarity of American and

West European monopoly capital are revealed. Contrary trends, interimperialist rivalry and the struggle of interests both within the European Community and among the three power centers of modern capitalism, between the EC countries and the United States included, are shown convincingly together with this.

The authors raise many pertinent problems connected with the impact of political integration on the position and struggle of the working class, peasantry and other social forces in West Europe, reveal new trends in the worker, democratic and peace movements and show the vanguard role of the communist parties in the struggle of the people's masses against social inequality and exploitation and the threat of nuclear war.

The work is distinguished by the broad historical background against which the study has been conducted--from the first plans of West European political union of the 1950's through events and facts of most recent times. It contains convincing criticism of Western reactionary and bourgeois-reformist concepts of the future "political arrangement" of West Europe and shows the groundlessness and danger for the cause of peace of the plans for the creation of military-political unions and alliances in this region.

The book ends with a concise, but ample conclusion. It sums up the main results of the study and evaluates West European integration from the viewpoint of the foreign policy interests of the Soviet Union and the struggle of all progressive forces for peace and social progress.

The monograph is not without certain shortcomings. Not all its sections have been written with sufficient depth and thoroughness. Some of them, like the chapter on the EC's social policy, for example, suffer from excessive technicism and descriptiveness. Unjustifiably little attention is paid to the integration of S&T policy. The European Community's reaction to the peace initiatives of the Soviet Union and the socialist community countries merits more comprehensive study, we believe.

As a whole, the work makes a notable contribution to study of the problems of West European integration and is distinguished by a precise formulation of the issues, strict logic of exposition and clarity of style.

I would like to make special mention of the exceptionally solicitous and attentive attitude displayed toward the name of the person who was in at the start of this work and was its main instigator and organizer and the heart of the group of authors. I speak of Doctor of Historical Sciences D.D. Maclean--a top Soviet scholar who gave his whole life to selfless service of the high ideals of social progress. The book in question is a fitting memorial to this remarkable person and ardent fighter for the cause of peace and international cooperation.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya", 1986.

8850
CSO: 1816/12

1987 'MEZHDUNARODNYYE OTNOSHENIYA ' PUBLISHERS BOOK LIST

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 8, Aug 86 (signed to press 16 Jul 86) p 148

[Text] In 1987 the "Mezhdunarodnyye otnosheniya" Publishing House will publish the following books on the world economy and international relations:

R.V. Borisov, "Soviet-American Relations, 1970's-1980's," III (kv), 15 sheets, R1.30.

A.S. Burov, "The USSR's Economic Cooperation With the Socialist Countries," (kv), 16 sheets, R2.30.

"Foreign Policy and Diplomacy of the Emergent Countries," Exec. ed. G.L. Leontyev, II (kv), 18 sheets, R2.40.

Yu.N. Grekov, D.I. Sukhoparov, T.V. Teodorovich, "The USSR's Technical Assistance to Foreign Countries," IV (kv), 17 sheets, R1.20.

"Diplomatic Bulletin. 1986," I (kv), 30 sheets, R3.30.

N.G. Zaytsev, "Latin America in the Struggle for a Reorganization of International Economic Relations," I (kv), 14 sheets, R2.10.

V.G. Kuryerov, "Foreign Economic Policy of the U.S. Republican Administration," III (kv), 11 sheets, 40 kopecks.

L.N. Kutakov, "Moscow--Tokyo: Outline of Diplomatic Relations," II (kv), 16 sheets, R2.

"International Factors of Social Progress," Exec. ed. Yu.N. Pankov, IV (kv), 18 sheets, R2.30.

L.I. Piyasheva, B.S. Pinsker, "'Economic Neoconservatism': Theory and International Practice," III (kv), 12 sheets, R1.80 ("Critique of Bourgeois Ideology and Revisionism" series).

V.A. Ryzhikov, "USSR---Great Britain: Main Stages of Diplomatic Relations, 1924-1986," I (kv), 16 sheets, R1.80.

V.P. Slavenov, "Outline of France's Foreign Policy and Diplomacy in the 1980's," II (kv), 17 sheets, R1.80.

L.A. Slavinskaya, "Mechanism of East-West Economic Relations: Questions of Theory and Practice," II (kv), 15 sheets, R2.20.

B.N. Slavinskiy, "USSR Foreign Policy in the Far East, 1945-1986," II (kv), 20 sheets, R2.90.

"The USSR and the Fraternal Socialist Countries in the Struggle for European Security," Exec. ed. A.L. Narochitskiy, IV (kv), 20 sheets, R2.90.

A.M. Sutulin, "The Three Centers of Imperialism: Yesterday, Today, Tomorrow," IV (kv), 10 sheets, 40 kopecks.

Annotations of the book may be read in the "Literature Publication Plan of the 'Mezhdunarodnyye otnosheniya' Publishing House for 1987," which is available in stores carrying sociopolitical literature. They will accept advance orders for the books.

COPYRIGHT: Izdatelstvo TsK KPSS "Pravda".
"Mirovaya ekonomika i mezhdunarodnyye
otnosheniya", 1986.

8850

CSO: 1816/12